

***United States Court of Appeals
for the Second Circuit***



APPENDIX

77-6021

In The
United States Court of Appeals
For The Second Circuit

ORIGINAL

UNITED STATES OF AMERICA,
Plaintiff-Appellee,

B

vs.

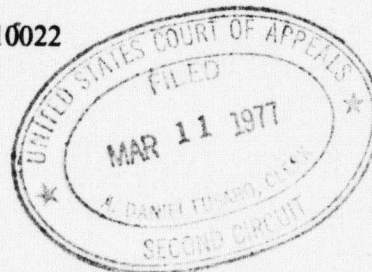
SALVATORE CIRAMI, ET AL.,
Defendants,

P/S

SALVATORE CIRAMI & MARGARET CIRAMI,
Defendants-Appellants.

JOINT APPENDIX

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BRUCHHAUSEN, J.

73C

274

DOCKET

APPEAL

ATTORNEYS

vs.

SALVATORE CIRAMI, MARGARET CIRAMI, JAMES CIRAMI and
MASPETH FEDERAL XXXXXX SAVINGS AND LOAN ASSOCIATION

For Plaintiff:

U.S. ATTORNEY EDNY
FOR ASTORIA FEDERAL SAVI

Thomas & Graham

36-17 30th Ave. L.I.C 11

For Defendant: **B CIRAMI**

SEE

Peter-R.-Newman

BELOW

23 Cary Road

Wassat, N.Y. - 11791

516-000-9960

for MASPETH FEDERAL SAVING

Friedland & Masone

69-34 Grand Avenue, Maspe

Queens, N.Y. 11370

639-1100

~~S. A. Cirami:~~

FOR S. CIRAMI: Carl N.

Mione 32 Court St.

Bklyn. 11201 875-5537

FOR J. & M. CIRAMI:

Wallace Musoff, Esq.

136 E. 57th Street

New York, N.Y. 10022

(Wagman, Cannon & Musoff)

758-3594

BASIS OF ACTION: Action to recover federal tax liens on

SEKKS: \$15,071.30

JURY TRIAL CLAIMED

ON

[illegible]

ABSTRACT OF COSTS

RECEIPTS, REMARKS, ETC.

[illegible]

73C 274 UNITED STATES OF AMERICA vs. Salvatore Cirami, & et al

DATE	FILINGS - PROCEEDINGS	AMOUNT REPORTED IN VOLUMEN RETURNS	
2/28/73	complaint filed-summons issued.	1	JR
3-20-73	ANSWER filed. (defts CIRAMI).	2	
3/27/73	Summons returned & filed/executed.	3	
4-30-73	ANSWER of Maspeth Federal Savings & Loan Association filed.	4	
5/17/73	Notice of motion dtd. 5/25/73 & memo of points and authorities in support of plffs. motion to dismiss the counterclaim of defts. Salvatore & Margaret Cirami filed.	5/6	
6/1/73	Before Bruchhausen, J. - Case called for hearing on plffs. motion to dismiss counterclaim-Adj'd. to 6/8/73		
6-8-73	Before BRUCHHAUSEN, J. - Case called for hearing on plff's motion to dismiss defts' counterclaim. Motion argued. Decision reserved.		
9-18-73	Deft's brief in support of Counterclaim filed.	7	
10-2-73	By BRUCHHAUSEN, J. - Memorandum and order dtd 10-2-73 dismissing counterclaim against U.S.A. filed.	8	
10-25-73	Before BRUCHHAUSEN, J. Case called Adj. to 1-3-74 @ 11 AM		
12/28/73	Notice of Motion, ret. 2/1/74 filed re: for an order granting partial summary judgment in favor of plff.	9	
12/28/73	Memorandum of Points and Authorities in Support of the United States Motion for Partial Summary Judgment filed.	10	
2/1/74	Before BRUCHHAUSEN, J. - Case called- Adj'd to 3/1/74		
3-1-74	Before BRUCHHAUSEN, J. - Case called for hearing on plff's motion for an order granting partial summary judgment. Motion granted. Settle order on notice.		
3-18-74	By BRUCHHAUSEN, J. - Memorandum and order dtd. 3-18-74 granting partial summary judgment. Settle order on 5 days notice. (p/c mailed to attys) 2/1/74	11	
4/10/74	Before BRUCHHAUSEN, J. - Case called- Status report held and concluded-Adj'd to 6/24/74		
6/12/74	By Bruchhausen, J. - Judgment granting plff's motion for partial summary judgment as to defts CIRAMI (SALVATORE & MARGARET) & as against said defts for \$270,792.43 with interest filed. (P/C mailed to attys)	12	
6-24-74	Before BRUCHHAUSEN, J. - Case called & adj'd to 10-7-74	----	
7-5-74	Notice of entry of judgment filed.	13	
9-18-74	Notice to take deposition of defts Cirami filed.	14	14a
10/7/74	Before BRUCHHAUSEN, J. - Case called- Adj'd to 11/18/74		

CIVIL DOCKET

USA

vs.

CIRAMI, et al

DATE	FILINGS—PROCEEDINGS	CLERK'S FEES		AMOUNT REPORTED IN EMOLUMENT RETURN
		PLAINTIFF	DEFENDANT	
12-23-74	Notice of appearance filed.			15
12/26/74	Notice of Motion ret. 1/3/75 filed re: for leave to file an amended answer			16
12/30/74	Consent to Change Attys filed (S. Cirami)			17
2/4/75	Notice of Motion, ret. 2/14/75 filed re: for an order granting the U.S.A. a preliminary injunction, etc.			17
2/4/75	Memorandum in Support filed.			18
2/4/75	By BRUCHHAUSEN, J. - Temporary Restraining Order dated 2/4/75 filed that the deft J. Cirami, his agents, servants, etc. are restrained from selling, assigning, etc. removing from the jurisdiction of this court or disposing of any interest in any property of the deft J. Cirami which interests devolved from th taxpayer-defts S. Cirami and M. Cirami, including the interests of J. Cirami, etc. and it is further ordered that this T.R.O. will remain in effect until 30 days after the entry of this Order. P.C. mailed to the attys.			19
2-7-75	Before of motion for leave to file an amended complaint, ret 2-14-75 at 10 A.M. filed.			20
2/14/75	Before BRUCHHAUSEN, J. - Case called-Motion for preliminary injunction granted- Motion to file an amended complaint granted.- Deft's motion for leave to file amended answer granted.			21
2/14/75	Consent to Change attys filed.			22
2-20-75	Pltff's interrogatories to deft filed.			23
3-11-75	BY BRUCHHAUSEN, J.--order dtd 3-11-75 extending time for defts to answer pltff's amended complaint to 3-19-75 filed.			24
3/14/75	Interrogatories of pltff filed.			25
3-20-75	Answer to amended complaint (Cirami).			26
4-15-75	Deft James Cirami's answers to interrogatories filed.			27
4-21-75	Deft Cirami's answers to interrogatories filed.			28
4-21-75	Deft S. Cirami's answer to amended complaint filed.			29
5-01-75	Notice of motion ret 5-27-75 for an order vacating the summary judgment of 6-12-75 filed.			30
5/15/75	Notice of Orgl Depositions and Requests for Production of Documents filed.			31
5-16-75	U.S. application for T.R.O. filed.			32
5-16-75	U.S. memorandum in support of motion for preliminary injunction filed.			

BEST COPY AVAILABLE

73C-274 U.S.A. vs. CIRAMI, et ano

DATE	FILINGS—PROCEEDINGS	CLERK'S FEES		AMOUNT REPORTED IN EMOLUMENT RETURNS
		PLAINTIFF	DEFENDANT	
5-16-75	U.S. application for preliminary injunction filed.			33
5-16-75	U.S. certificate of non-notification of debts filed.			34
5-16-75	By BRUCHHAUSEN, J. - Order to show cause dtd 5-16-75 for a preliminary injunction, ret 5-27-75 at 10 A.M. filed.			35
5-16-75	By BRUCHHAUSEN, J. - Temporary restraining order and preliminary injunction filed.			36/37
5/16/75	Notice of Motion, ret. 5/27/75 filed re: preliminary injunction against James Cirami, et al			38
5/20/75	Notice of Motion, ret. 5/20/75 filed re: for an Order granting the U.S.A. leave to file an Amendment to its Second Amended Complaint, etc.			39
5/20/75	U.S. Memorandum in Support of Motion for leave to file amendment to Second Amended Complaint filed.			40
5/20/75	Amendment to Second Amended Complaint filed.			41
5/22/75	Notice of Motion for stay, ret. 5/27/75 filed re: staying all proceedings to enforce the judgment entered against Salvatore Cirami, et ano			42
5-23-75	Statement-U.S. Memo in opposition to motion to vacate summary judgment entered 6-12-74.			43
5-27-75	Affidavit of William R. Morrow, Jr. re: memorandum in opposition to motion to vacate judgment of 6-12-74 filed.			44
5-27-75	Before BRUCHHAUSEN, J. Motion for an order granting plttf preliminary injunctions granted on consent. Plttf's motion for an order granting leave to file an amendment to its second amended complaint granted on consent.			
5-23-75	Marshall's form for TRO ret and filed. Executed as to Dicks Management Corp., not executed as to Jacob Zeliffelf.			45/46
5-28-75	Additional summons issued as to Astoria Federal Savings & Loan Assoc.			--
6/4/75	Additional Summons ret'd and filed. Executed.			47
6/10/75	Notice of Appearance filed fro deft A. Cirami filed.			48
6-26-75	ANSWER filed. (Astoria Federal Savings & Loan Assoc.)			49
7-1-75	Affidavit of Wallace Musoff filed.			50
8-18-75	Summons issued on amendment to second amended complaint.			--
8-29-75	Deft Prudential's answer to second amended complaint etc filed.			51
9-3-75	U.S. Supplemental memorandum in opposition to Taxpayers' motion to vacate judgment filed.			52

CONTINUED

CRIMINAL DOCKET 73 C 274 U.S.A. VS. SALVATORE CIRAMI, ET AL

DATE	PROCEEDINGS
XXXXXX	
5/27/75	Before BRUCHHAUSEN, J.- Case called- Pltff's motion for an order ing leave to file a second complaint-Motion granted on consent- Pltff's motion for an order compelling an accounting-Decision re Pltff's motion for partial summary judgment-Decision reserved-Pl motion for depositions & production of documents -Decision reser
9/18/75	Before BRUCHHAUSEN, J.- Case called- Deft's motion vacating summi judgment, etc. -Decision reserved.
9-19/75	Answer of James Cirami, Nancy Cirami & Margaret Cirami to second amended complaint filed.
9-24-75	By BRUCHHAUSEN, J.-Stip. on Order dtd 9-22-75 that the defts (Cirami Family) to answer pltff's second amended complaint etc to 9-19-75 filed. (mg)
10-1-75	Deft's memorandum in reply to pltff's memorandum in opposition to taxpayer's motion to vacate summary judgment filed. (mg)
10-6-75	By BRUCHHAUSEN, H.-Memorandum and Order dtd 10-6-75 granting pltff's motion for various relief dtd and filed, 5-16-75 filed. (n
10-6-75	By BRUCHHASUEN, J.-Memorandum and order dtd 10-6-75 denying defts motion to vacate the judgment entered on 6-12-75 filed. (mg
10-10-75	Joint notice of appeal filed. Copy mailed to C of A. (mg)
10/16/75	Notice of Oral Depositions and Request for Production of Document filed.
10-23-75	Scheduling order #1. filed. (mg)
10/30/75	Summons or Amendment to 2nd Amended Complaint filed. Unexecuted as to Diggs Ngt Corp., and Jacob Zeligfeld. Executed as to defts Nancy Cirami, Carl N. Mione and Prudential Ins. Co. of America.
11-12-75	Entire file including exhibits mailed to C of A (2 envelopes & 2 boxes) with certified copy of docket entries, Clerk's certificat and index. (mg)
11-13-75	Memo of Judge Bruchhausen dtd 11-10-75 filed re: closing of action.
11-18-75	Acknowledgment received from C of A for receipt of record on appe filed.
6-10-76	Certified copy order from the C of A with opinion attached affirming order of District Court with costs to be taxed against the appellants filed.
6-15-76	Record received from the C of A. Acknow. mailed.

PICKETT HON

Notice of motion ret. 8-31-76 to vacate summary judgment filed. (65)

Memo of law in support of opposition to motion to vacate judgment filed (66)

6 Before PLATT, J Case called. Motion to vacate summary judgment set down for 12-10-76.

Reply memo of law in support of motion to vacate summary judgment filed. (67)

Supplementary memo in support of opposition to motion to vacate. (68)

Before Platt, J--defts motion to vacate summary judgment--case called motion argued denied--order to be submitted

Subpoena duces tecum filed. (69)

By PLATT, J Order denying second motion to vacate dtd 12-26-76 filed. (70)

1961 FEDERAL INCOME TAX RETURN OF SALVATORE AND MARGARET CIRAMI (pp. A6-A11)

FORM 1040

U.S. Treasury Department,
Internal Revenue Service

U.S. INDIVIDUAL INCOME TAX RETURN—1961

or taxable year beginning 1961, ending 1961

Your Social Security Number

731 03 5344

Occupation

Self Emp.

Wife's Social Security Number

Occupation

207

PLEASE
PRINT
OR
TYPE

First name and initial

SALVATORE & MARGARET CIRAMI

(If joint return of husband and wife, use first names and middle initials of both)

Home address

61-44 ELIOT AVE

(Number and street or rural route)

MASSETH, N.Y.

(City, town, or post office)

(Postal zone number)

1164719224500-0

(State)

- Check ☐ Single; ☐ Unmarried "Head of Household"; ☐ Surviving widow or widower with dependent child;
One ☒ Married filing joint return; ☐ Married filing separate return—Name of wife (husband)

INCOME—(If joint return, include all income of both husband and wife)

1. Wages, salaries, tips, etc., and excess of allowances over business expenses.

Employer's name

Where employed (city and state)

(a) Wages, etc.

(b) Federal income tax withheld

If either you or your wife worked for more than one employer, see page 4 of instructions

Totals here

2. "Sick pay" if included in line 1 (attach required statement)

4. Subtract line 3 from total wages

5. Dividends, interest, rents, royalties, pensions, etc. (Schedule B—if required by instructions page 5)

6. Business income (Schedule C)

7. Sale or exchange of property (Schedule D)

8. Farm income (Schedule F)

9. Total of lines 4 through 8

FIGURE YOUR TAX BY USING EITHER 10 OR 11

10. Tax Table

Assessment	Dist.
	BROOKLYN
Tax	47,698.21
Pen.	14,309.46
Int.	13,957.93
Total	75,965.60
IR Code	
Section	6213C
Initials	MAF 3
Account No.	0 61 12299

11. Tax Rate Schedule

a. If you itemize deductions, enter total from page 2
If line 9 is \$5,000 or more and you do not itemize, enter 10% of line 9 but not more than \$1,000 (and 0 if married and filing separate return).

b. Subtract line 11a from line 9

c. Copy total exemptions from page 2 here, multiply by \$600.

d. Subtract line 11c from line 11b
Figure your tax on this amount by using tax rate schedule on page 9 of instructions and enter tax on line 12.

Let 4-15-62 3-3-67
rate schedule)

-3 or F-1)

PAYMENTS AND CREDITS WITH REMITTANCE

above). Attach Forms W-2, JUL 8 1963

Declaration of Estimated Tax

c. Dividends received credit

d. Retirement income credit

e. Other credits (Specify—see page 5 of instructions)

f. Total (add lines a, b, c, d and e)

District Director's office where amount on line 15b was paid

TAX DUE OR REFUND

16. If payments and credits (line 15f) are less than tax (line 14), enter Balance Due here

Pay in full with this return to "Internal Revenue Service."

17. If payments and credits (line 15f) are larger than tax (line 14), enter Overpayment here

18. Line 17 to be: (a) Credited on 1962 estimated tax \$

(b) Refunded \$

I declare under penalties of perjury that I have examined this return (including accompanying schedules and statements) and to the best of my knowledge and belief it is true, correct, and complete. If prepared by a person other than taxpayer, his declaration is based on all information of which he has any knowledge.

Sign here

Salvatore Cirami

(Taxpayer's signature and date)

(If joint return, BOTH HUSBAND AND WIFE MUST SIGN)

(Wife's signature and date)

Zepher & Co. Inc. - 38 x South Oyster Bay Rd - Hicksville, N.Y.

(Signature of preparer other than taxpayer)

(Address)

(Date)

01378

7. Exemptions for yourself and wife (only if all her income is included in this return, or she had no income)

Check blocks which apply: (a) Regular \$600 exemption ☒ Yourself ☒ Wife (b) Additional \$600 exemption if 65 or over at end of 1961 ☐ Yourself ☐ Wife (c) Additional \$600 exemption if blind at end of 1961 ☐ Yourself ☐ Wife Enter number of exemptions checked 2

8. Exemptions for your children and other dependents (list below)

• If an exemption is based on a multiple-support agreement of a group of persons, attach the declarations described on page 6 of instructions.

NAME Enter figure 1 in the last column to right for each name listed (Give address if different from yours)	Relationship	ANSWER ONLY FOR DEPENDENTS OTHER THAN YOUR CHILDREN				Amount furnished by OTHERS including dependent
		Months lived in your home. If born or died during year, also write "B" or "D"	Did dependent have income of \$600 or more?	Amount YOU furnished for dependent's sup- port. If 100% write "ALL"		
James	Son			\$		/
Wendy	Daughter					/
Sal M.	Son					/
Lucy Hart	Daughter					/
Michael	Son					/
Dorcas	Daughter					/

3. Total exemptions. (Enter here and on line 10 or 11c, page 1) 8

ITEMIZED DEDUCTIONS—If you do not use tax table or standard deduction

If husband and wife (not legally separated) file separate returns and one itemizes deductions, the other must also itemize

Show to whom paid. If necessary, write more than one item on a line or attach additional sheets. Please put your name and address on any attachments

Contributions (If other than money, submit description of property and method of valuation)			Total paid (not to exceed 20% of line 9, page 1, except as described on page 7 of instructions) \$
Interest			Total interest
Taxes	Real estate taxes	State income taxes	Total taxes
	State and local sales taxes	Other taxes (specify)	
Medical and dental expense (Submit itemized list. Do not enter any expense compensated by insurance or otherwise)	NOTE: If you or your wife are 65 or over, or if either has a dependent parent 65 or over, see page 8 of instructions for possible larger deduction.		\$ \$ \$ \$ \$ \$ \$ \$
	1. Total cost of medicine and drugs		
	2. Enter 1% of line 9, page 1		
	3. Subtract line 2 from line 1		
	4. Other medical and dental expenses (including hospital insurance premiums)		
	5. Total (add lines 3 and 4)		
	6. Enter 3% of line 9, page 1		
	7. Subtract line 6 from line 5, see page 8 of instructions for maximum limitation		
Other deductions (See page 8 of instructions and attach required information)			Total
TOTAL DEDUCTIONS (Enter here and on line 11a, page 1)			\$

EXPENSE ACCOUNT INFORMATION

Did you receive an expense allowance or reimbursement, or charge expenses to your employer? ... ☐ Yes ☒ No If "Yes," did you submit itemized accounting of expenses to your employer? ... ☐ Yes ☐ No See page 4, instructions.

(Form 1040) U. S. Treasury Department Internal Revenue Service	PROFIT (OR LOSS) FROM BUSINESS OR PROFESSION (Compute social security self-employment tax on Schedule C-3 (Form 1040))	1961
--	--	-------------

Attach this Schedule to your Income Tax Return, Form 1040 — Partnerships, Joint Ventures, Etc., Must File On Form 1065

Name and address as shown on page 1, Form 1040

SALVATORE & MARGARET CIRAMI - 61-44 ELIOT AVE. MASPETH, N.Y.

A. Principal business activity <u>TRUCKING</u> (See separate instructions)	(Retail trade, wholesale trade, lawyer, etc.)	(Principal product or service)
B. Business name <u>ALA FREIGHT HAULAGE CO.</u>		C. Employer Identification Number <u>11-1854814</u>
D. Business location <u>CARLE BLDG. #84 - N.Y. INTL AIRPORT</u> (Number and street or rural route)		<u>Jamaica, N.Y.</u> (City or post office) (State)

1. Total receipts \$....., less allowances, rebates, and returns \$.....	129,500	83
2. Inventory at beginning of year (If different than last year's closing inventory attach explanation)		
3. Merchandise purchased \$....., less any items withdrawn from business for personal use \$.....		
4. Cost of labor (do not include salary paid to yourself)		
5. Material and supplies		
6. Other costs (explain in Schedule C-2)		
7. Total of lines 2 through 6		
8. Inventory at end of this year		
9. Cost of goods sold (line 7 less line 8)		
10. Gross profit (subtract line 9 from line 1)	129,500	83

OTHER BUSINESS DEDUCTIONS

11. Salaries and wages not included on line 4 (exclude any paid to yourself)	8,930.00	
12. Rent on business property	12,900.00	
13. Interest on business indebtedness <u>4 A.C.</u>	625.71	
14. Taxes on business and business property <u>PAID</u>	517.45	
15. Losses on business property (attach statement)		
16. Bad debts arising from sales or services		
17. Depreciation (explain in Schedule C-1)	2,528.73	
18. Repairs (explain in Schedule C-2)		
19. Depletion of mines, oil and gas wells, timber, etc. (attach schedule)		
20. Amortization (attach statement)		
21. Insurance	5,084.66	
22. Legal and professional fees	2,175.00	
23. Commissions	3,003.78	
24. Other business expenses (explain in Schedule C-2)	100,749.90	
25. Total of lines 11 through 24		124,885.25
26. Net profit (or loss) (subtract line 25 from line 10). Enter here; on line 1, Schedule C-3; and on line 6, page 1, Form 1040		46,175.8

INVENTORY INFORMATION

1. Method of inventory valuation—Cost ☐; lower of cost or market ☐; other ☐. If other, attach explanation.
2. Was the method of inventory valuation indicated above the same method used for 1960? ☐ Yes ☐ No. If "No" attach explanation.
3. If inventory is valued at lower of cost or market, enter total cost \$..... and total market valuation \$..... of those items valued at market.
4. If closing inventory was taken by physical count, enter date inventory was taken If not at end of year, attach an explanation of how the end of year count was determined.
5. If closing inventory was not taken by a physical count, attach an explanation of how inventory items were counted or measured.

LOANES WITHIN THAT QUESTION.)

- E. A hunting lodge ☐, working ranch or farm ☐, fishing camp ☐, resort property ☐, pleasure boat or yacht ☐, or other similar facility ☐? (Other than where the operation of the facility was your principal business.) ☐ YES ☒ NO
- F. Vacations for you or members of your family, or
- G. The leasing, renting, or ownership of a hotel room or suite ☐, apartment ☐, or other dwelling ☐, which was used by you, your customers, employees, or members of their families? (Other than use by yourself or employees while in business travel status.) ☐ YES ☒ NO

SCHEDULE C-3
(Form 1040)

U.S. Treasury Department—Internal Revenue Service
COMPUTATION OF SOCIAL SECURITY SELF-EMPLOYMENT TAX
(See instructions on page 2)

1961

- ▶ If you had wages of \$4,800 or more which were subject to the deduction for social security, do not fill in this Schedule.
▶ Complete only one Schedule C-3; if you had more than one business, combine profits (or losses) from all of your businesses on this Schedule.
▶ Each self-employed person must file a separate schedule. See instructions, page 2, for joint returns and partnerships.

NAME AND ADDRESS (as shown on page 1 of Form 1040)

SALVATORE CIRAMI - 61-44 ELIOT AVE - MASPETH, N.Y.

NAME OF SELF-EMPLOYED PERSON (as shown on social security card)

SALVATORE CIRAMI

1. Net profit (or loss) shown on line 26 Schedule C (Form 1040) (Enter combined amount if more than one business).....	4617	58	
2. Add to net profit (or subtract from net loss) losses of business property shown on line 15, Schedule C.....			4617 58
3. Total (or difference)			
4. Net income (or loss) from excluded services or sources included on line 3 (see "Exclusions," page 2)..... Specify excluded services or sources			4617 58
5. Net earnings (or loss) from self-employment— (a) From business (line 3 less any amount on line 4)..... (b) From partnerships, joint ventures, etc. (other than farming)			
(c) From service as a minister, member of a religious order, or a Christian Science practitioner			
(d) From farming reported on line 2 (or line 3 if option used), separate Schedule F-1 (Form 1040).....			
(e) From service with a foreign government or international organization.....			4617 58
6. Total net earnings (or loss) from self-employment reported on line 5. Enter here and on line 6 below			
(If line 6 is under \$400, you are not subject to self-employment tax. Do not fill in rest of page.)			
7. The largest amount of combined wages and self-employment earnings subject to social security tax is	\$	4,800	00
8. Total wages, covered by social security, paid to you during the taxable year. (For "Covered" wages see "F. I. C. A. Wages" box on Form W-2.) Enter here and on line 7, below	\$	4800	—
9. Balance (line 7 less line 8)			4617 58
10. Self-employment income—line 6 or 9, whichever is smaller. Enter here and on line 8, below			207 79
11. Self-employment tax—If line 10 is \$4,800, enter \$216.00; if less, multiply the amount on line 10 by 4½%... Enter this amount here and on line 13, page 1, Form 1040			

REPAIRS + MAINTENANCE OF TRUCKS

8095.02

DAMAGE CLAIMS

1093.48

100,749.92

Encl.

Name

Name

Did you file a Federal income tax return for the year shown above?

☐ Yes ☐ No

If so, address and city where filed

Amount refunded

Date of payment or refund

Amount of tax paid

How was tax paid? (Answer applicable questions on reverse)

If you did not file a Federal income tax return, state reasons on reverse.

FORM L-20 (REV. 3-61)

OTHER DEDUCTIONS

	WELFARE + PENSION	* 597.68
3a	LOADING CHARGES	5544.89
c/	TRANSPORTATION EXPENSES	302.70
37	TELEPHONE	3463.94
Re	UTILITIES	174.65
	ADVERTISING	609.73
	STATIONERY + PRINTING	1259.18
	TRAVEL + ENTERTAINING	1772.88 ✓
	UNION DUES	121.65
An	LICENSES + PERMITS	227.25
retur	ALARM + PROTECTION	413. —
minc	RENTAL OF TRUCKS	67716.12 ✓
inco	ROAD EXPENSES, TOLLS, PARKING FEES	9357.75 ✓
your	REPAIRS + MAINTENANCE OF TRUCKS	8095.00 ✓
retur	DAMAGE CLAIMS	1093.48
and		# 100,749.92

Encl

Name

Name

Did you file a Federal income tax return for the year shown above?

☐ Yes ☐ No

If so, address and city where filed

Amount refunded

\$

Date of payment or refund

Amount of tax paid

\$

How was tax paid? (Answer applicable questions on reverse)

If you did not file a Federal income tax return, state reasons on reverse.

FORM L-20 (REV. 3-61)

1962 FEDERAL INCOME TAX RETURN OF SALVATORE AND MARGARET

CIRAMI (pp. A12-A18)

FORM 1040

U.S. INDIVIDUAL INCOME TAX RETURN—1962

U.S. Treasury Department
Internal Revenue Service

or taxable year beginning

1962, ending

19

First name and initial

Last name

Name

address

(If joint return of husband and wife, use first names and middle initials of both)

(Number and street or rural route)

(City, town, or post office)

(Postal zone number)

(State)

Your Social Security Number

131 831 1344

Occupation

Self-employed

Wife's Social Security Number

16 17

Occupation

101812

Check one: ☐ Single; ☐ Unmarried "Head of Household"; ☐ Surviving widow or widower with dependent child; ☒ Married filing joint return (even if only one had income); ☐ Married filing separate return—if wife or husband also filing separately, give name

INCOME—(If joint return, include all income of both husband and wife)

1. Wages, salaries, tips, etc., and excess of allowances over business expenses.
Employer's name _____ Where employed (city and state) _____

(a) Wages, etc.

(b) Federal income tax withheld

If either you or your wife worked for more than one employer, see page 4 of instructions

2. Totals

3. "Sick pay" if included in line 1 (attach required statement)

4. Subtract line 3 from total wages

5a. Dividends (Schedule B)

b. Interest (Schedule B or other list)

c. Rents, royalties, pensions, etc. (Schedule B)

6. Business income (Schedule C)

7. Sale or exchange of property (Schedule D)

8. Farm income (Schedule F)

9. Total (add lines 4 through 8) 13,509.98

Assessment	Dist.	BROOKLYN
Tax		60,617.29
Pen.		3,030.86
		14,101.41
Total		77,749.56
IR Code Section		6-213C
Initials		MAH 3
Account No.		11113

OUR TAX BY USING EITHER 10 OR 11

11. Tax Rate Schedule

- a. If you itemize deductions, enter total from page 2
If line 9 is \$5,000 or more and you do not itemize, enter 10% of line 9 but not more than \$1,000 (\$500 if married and filing separate return).
- b. Subtract line 11a from line 9
- c. Copy total exemptions from page 2 here 9, multiply by \$600.
- d. Subtract line 11c from line 11b
Figure your tax on this amount by using tax rate schedule on page 9 of instructions and enter tax on line 12.

12. Tax (use tax rate schedule)
Schedule C-3 or F-1

3)

PAYMENTS AND CREDITS

15a. Tax withheld (line 2, col. (b) above). Attach Forms W-2

b. Payments and credits on 1962 Declaration of Estimated Tax

c. Dividends received credit

d. Retirement income credit

e. Investment credit (Form 3468)

f. Other credits (Specify—see page 5 of instructions)

g. Total (add lines a, b, c, d, e, and f)

District Director's office where amount on line 15b was paid

TAX DUE OR REFUND

16. If payments and credits (line 15g) are less than tax (line 14), enter Balance Due here. 1047.17
Pay in full with this return to "Internal Revenue Service." File with your District Director.

17. If payments and credits (line 15g) are larger than tax (line 14), enter Overpayment here. 23.02

18. Amount of line 17 you wish credited to 1963 Estimated Tax

19. Subtract line 18 from line 17. Apply this balance to: ☐ U.S. Savings Bonds, or ☐ Refund

★ List your exemptions and sign on other side

23.02 credit for overpayment 11/15/63

RECORDED WITH REMITTANCE
JUG 14 1963
DIR. INV. REV.
BROOKLYN, N.Y.

TAX 1047.17

Sec. 6654 23.02

5/14/63 20.

SCHEDULE A.—EXEMPTIONS (See page 6 of instructions)

Page 2

For yourself—and wife (only if all her income is included in this return, or she had no income)

(a) Regular \$600 exemption

(b) Additional \$600 exemption if 65 or over at end of 1962

(c) Additional \$600 exemption if blind at end of 1962

☒ Yourself ☒ Wife
☐ Yourself ☐ Wife
☐ Yourself ☐ Wife

Enter number of boxes checked

2

Exemptions for your children and other dependents (list below)

If an exemption is based on a multiple-support agreement of a group of persons, attach the declarations described on page 6 of instructions.

NAME Enter figure 1 in the column to right for each name listed (Give address if different from yours)	Relationship	ANSWER ONLY FOR DEPENDENTS OTHER THAN YOUR CHILDREN				Enter number of boxes checked
		Months lived in your home. If born or died during year also write "B" or "D"	Did dependent have income of \$600 or more?	Amount YOU furnished for dependent's support. If 100% write "ALL"	Amount furnished by OTHERS including dependent	
John	Son			\$	\$	1
Mary	Daughter					1
John	Son					1
Mary	Daughter					1
John	Son					1
Mary	Daughter					1
John	Son					1
Mary	Daughter					1

3. Total exemptions (lines 1 and 2 above). (Enter here and on line 10 or 11c, page 1)

ITEMIZED DEDUCTIONS—If you do not use tax table or standard deduction

If husband and wife (not legally separated) file separate returns and one itemizes deductions, the other must also itemize. If necessary, write more than one item on a line or attach additional sheets. Put name, address and Social Security number on all attachments.

Contributions
(If other than money, submit description of property, including cost or other basis, date of acquisition and method of valuation)

University of Chicago, Study of the University of Chicago, Chicago, Ill.

University of Chicago, Study of the University of Chicago, Chicago, Ill.

Total paid (not to exceed 20% of line 9, page 1, except as described on page 7 of instructions)

\$ 500 —

Interest expense

City of Chicago — \$3.50

City of Chicago — \$3.50

Total interest — 763 50

Taxes

Real estate taxes 339.00

State and local sales taxes 13.00

Unemployment taxes 11.50

State income taxes

Other taxes (specify)

Total taxes — 589 20

Medical and dental expense

(Submit itemized list. Do not enter any expense compensated by insurance or otherwise)

NOTE: If you or your wife are 65 or over, or if either has a dependent parent 65 or over, see page 8 of instructions for possible larger deduction.

1. Total cost of medicine and drugs
2. Enter 1% of line 9, page 1
3. Subtract line 2 from line 1
4. Other medical, dental expenses (Include hospital insurance premiums)
5. Total (add lines 3 and 4)
6. Enter 3% of line 9, page 1 (see note above)
7. Subtract line 6 from line 5, see page 8 of instructions for maximum limitation

\$	500	—
	13.5	10
	364	90
	225.10	80
	242.7	20
\$	405	20

2216 40

Other deductions
(See page 8 of instructions)

Total — 5400 91 1/2

Total deductions (Enter here and on line 11a, page 1)

EXPENSE ACCOUNT INFORMATION

Did you receive an expense allowance or reimbursement, or charge expenses to your employer?

☐ Yes ☒ No See page 4, instructions.

If "Yes," did you submit itemized accounting of all such expenses to your employer?

☐ Yes ☒ No
Did you file a return last year? ☒ Yes ☐ No. If name or address on last year's returns was different from this year, enter name and address used last year.

I declare under penalties of perjury that I have examined this return (including accompanying schedules and statements) and to the best of my knowledge and belief it is true, correct, and complete. If prepared by a person other than taxpayer, his declaration is based on all information of which he has any knowledge.

Sign here (Taxpayer's signature and date)

(If joint return, BOTH HUSBAND AND WIFE MUST SIGN)

(Wife's signature and date)

Sign here (Signature of preparer other than taxpayer)

(Preparer's signature)

(Date)

[illegible]

SALVATORE CIRAMI - 61-44 ELIOT AVE - MASS.

MEDICAL EXPENSE - Child born during yr.

Dr. L. G. Amis - Long Beach	25.00
Dr. Berkowitz - S. Helen	56.00
Dr. Vogel - " "	25.00
Dr. Pollack - " "	125.00
Insurance Hospital	78.00
W. L. H. Hospital - (Int. after birth)	203.66
Dr. Rubin - Eye Doctor	68.00
Dr. Storch - S. Helen	1465.00
Thyroid - S. Helen	134.20
Pediatric Serv - (Child from)	8.00
Various medical supplies for child born during the yr.	75.00
	\$ 2256.80

Drugs & Vaccination - including pills,
serums, & other medical supplies for
7 children including newborn child

\$ 500.00

ACCOUNTANT SUPPLY HOUSE
GREEN TINT NO. 6606
NATURAL TONE NO. 770

Initialed
Prepared By
Approved By

SALVATORE CIRAMI

OTHER DEDUCTIONS - 1962

LINE NO.		
1	PROTECTION & ALARM	112268
2	TELEPHONE	402587
3	ROAD EXPENSES, TOLLS, PARKING FEES	910519
4	ADVERTISING	26199
5	TRAVEL & ENTERTAINING	181777
6	BANK CHARGES	24270
7	UNION DUES	38277
8	CLAIMS PAID	89813
9	SALES COMMISSIONS	169302 ✓
10	LICENSES & PERMITS	5925
11	CHRISTMAS EXPENSES	53709
12	RENTAL - COMMUNICATIONS & RADIOS	119362
13	OFFICE EXPENSES	36544
14	UTILITIES	35358
15	PRINTING, STATIONERY & SUPPLIES	157293
16	TOTAL	235703
17		
18		
19		
20		

SCHEDULE C-2. EXPLANATION OF DEDUCTION FOR DEPRECIATION CLAIMED ON LINE 11

Module is designed for taxpayers using the new guideline lives and administrative procedures described in Revenue Procedure 62-21 as for those taxpayers who wish to continue using previously authorized procedures. Where double headings appear use the heading for the new procedure and the second heading for the older procedure.

1. Group and guideline class OR Description of property	2. Cost or other basis at beginning of year OR Cost or other basis	3. Asset additions in year (amount) OR Date acquired	4. Asset retirements in year (amount) (applicable only to Rev. Proc. 62-21)	5. Depreciation allowed or allowable in prior years	6. Method or computing depreciation	7. Class life OR Rate (%) or life	8. Depreciation for this year
PERSONAL TRUCK AUTOMOBILE	37,117.31 54,419.11	1/1/62 1/1/62	— —	19,620.77 —	S.L. S.L.	18/31 31/31	5,333.63 14,833.30
1. Totals	91,782.26						13,166.93
2. Less: Amount of depreciation claimed elsewhere in Schedule C							13,166.93
3. Balance—Enter here and on line 11, page 1							
4. Amount of additional first-year depreciation included above							
5. Cost or other basis of fully depreciated assets still in use							

INVENTORY QUESTIONS

- Was inventory valued at—Cost ☐; lower of cost or market ☐; other ☐. If other, attach explanation.
 - Have write-downs been made to inventory? Yes ☐ No ☐. If "Yes," were the write-downs computed on the basis of:
 - ☐ Percentage reductions from parts of the inventory
 - ☐ Percentage reductions from the total inventory
 - ☐ Valuation of individual items.

If "a" or "b" is checked, enter the percentage of write-downs ____%. For "a," "b," or "c" enter the dollar amount of write-downs \$_____.
(If not available, estimate and indicate that the figure is an estimate.)
 - Was the inventory verified by physical count during the year?
Yes ☐ No ☐. If "No," attach explanation of how the closing inventory was determined.
 - Was there any substantial change in the manner of determining quantities, costs or valuations between the opening and closing inventories? Yes ☐ No ☐. If "Yes," attach explanation.
- If a direct answer cannot be given to a question, attach explanation.

EXPENSE ACCOUNT INFORMATION

Enter information with regard to yourself and your five highest paid employees. In determining the five highest paid employees, expense account allowances must be added to their salaries and wages. However, the information need not be submitted for any employee for whom the combined amount is less than \$10,000, or for yourself if your expense account allowance plus line 26, page 1, is less than \$10,000. See separate instructions for Schedule C, for definition of "expense account."

Name	Expense account	Salary and Wage
Owner.....		XXXXXXXXXXXX
1.....		
2.....		
3.....		
4.....		
5.....		

Did you claim a deduction for expenses connected with: (If answer to any question is "YES," check applicable boxes within that question.)

- A hunting lodge ☐, working ranch or farm ☐, fishing camp ☐, resort property ☐, pleasure boat or yacht ☐, or other similar facility ☐? (Other than where the operation of the facility was your principal business.) ☐ YES ☒ NO
- Vacations for you or members of your family, or employees or members of their families? (Other than vacation pay reported on Form W-2.) ☐ YES ☒ NO
- The leasing, renting, or ownership of a hotel room or suite ☐, apartment ☐, or other dwelling ☐, which was used by you, your customers, employees, or members of their families? (Other than use by yourself or employees while in business travel status.) ☐ YES ☒ NO
- The attendance of members of your family or your employees' families at conventions or business meetings? ☐ YES ☒ NO

SCHEDULE C-3
(Form 1040)

U. S. Treasury Department—Internal Revenue Service
COMPUTATION OF SOCIAL SECURITY SELF-EMPLOYMENT TAX
(See instructions on page 2)

1962

- ▶ If you had wages of \$4,800 or more which were subject to social security taxes, do not fill in this page.
▶ Complete only one Schedule C-3; if you had more than one business, combine profits (or losses) from all of your businesses on this Schedule.
▶ Each self-employed person must file a separate schedule. See instructions, page 2, for joint returns and partnerships.

NAME AND ADDRESS (as shown on page 1 of Form 1040)

SALVATORE CIRAMI - 61-44 ELIOT AVE - MASYETH, N.Y.

NAME OF SELF-EMPLOYED PERSON (as shown on social security card)

SALVATORE CIRAMI

Your Social Security Number

131 03 1544

1. Net profit (or loss) shown on line 26 Schedule C (Form 1040) (Enter combined amount if more than one business).....	<u>13,509</u>	<u>98</u>	
2. Add to net profit (or subtract from net loss) losses of business property shown on line 22, Schedule C.....			
3. Total (or difference).....			<u>13,509 98</u>
4. Net income (or loss) from excluded services or sources included on line 3 (see "Exclusions," page 2)..... Specify excluded services or sources.....			
5. Net earnings (or loss) from self-employment— (a) From business (line 3 less any amount on line 4).....			<u>13,509 98</u>
(b) From partnerships, joint ventures, etc. (other than farming).....			
(c) From service as a minister, member of a religious order, or a Christian Science practitioner..... Enter only if you have filed or are filing Form 2031 (see instructions, page 2).			
(d) From farming reported on line 2 (or line 3 if option used), separate Schedule F-1 (Form 1040).....			
(e) From service with a foreign government or international organization.....			<u>13,509 98</u>
6. Total net earnings (or loss) from self-employment reported on line 5. Enter here and in item F below..... (If line 6 is under \$400, you are not subject to self-employment tax. Do not fill in rest of page.)			
7. The largest amount of combined wages and self-employment earnings subject to social security tax is.....	\$ 4,800	00	
8. Total wages, covered by social security, paid to you during the taxable year. (For "Covered" wages see "F. I. C. A. Wages" box on Form W-2.) Enter here and in item G, below.....			
9. Balance (line 7 less line 8).....	\$ <u>4,800</u>		<u>4,800 —</u>
10. Self-employment income—line 6 or 9, whichever is smaller. Enter here and in item H, below.....			
11. Self-employment tax—If line 10 is \$4,800, enter \$225.60; if less, multiply the amount on line 10 by 4.7%— Enter this amount here and on line 13, page 1, Form 1040.....			<u>225 60</u>

Do not detach

**1963 FEDERAL INCOME TAX RETURN OF SALVATORE AND MARGARET
CIRAMI (A19-A26)**

BP 300308

FORM 1040 U.S. INDIVIDUAL INCOME TAX RETURN—1963

U.S. Treasury Department Internal Revenue Service

First name and initial SALVATORE + MARGARET Last name CIRAMI

Home address 61-44 ELIOT AVE. MASPETH N. Y.

City, town or post office, and State MASPETH N. Y. Postal ZIP code 11366

Your social security number 43-1035344

Occupation FREIGHT MANAGER

Wife's number if joint return

Occupation

Did you file a return for 1962? ☒ Yes ☐ No. If name or address was different than shown above, enter name and address used.

Check one: ☐ Single ☒ Married filing joint return (even if only one had income) ☐ Unmarried Head of Household ☐ Surviving widow(er) with dependent child ☐ Married filing separately ☐ Give name of wife or husband only if also filing separately

If joint return, include all income of both husband and wife—INCOME—If either you or your wife worked for more than one employer, see page 4 of instructions.

1. Wages, salaries, tips, etc., and excess of allowances over business expenses:

Employer's name AIR FREIGHT HAWASS C. INC. Where employed (city and state) UNIONDALE, N.Y.

(a) Federal income tax withheld	(b) Wages, etc.
\$ <u>863.20</u>	\$ <u>7800.00</u>
<u>863.20</u>	<u>7800.00</u>

2. Totals 863.20 7800.00

3. "Sick pay" if included in line 1 (attach required statement) 7800.00

4. Subtract line 3 from line 2 7800.00

5a. Dividends (Schedule B)

b. Interest (Schedule B or list of payers and amounts)

c. Rents, royalties, partnerships, etc. (Schedule B) 20247.65

6a. Business income (Schedule C)

b. Sale or exchange of property (Schedule D)

c. Farm income (Schedule F)

7. Total (add lines 4 through 6c) 28047.65

8. Additions to retirement plans, etc. (attach Form 2950 SE)

9. Tax 44771.84

10. Pen. 2,238.59

11. Tax Rate Schedule

a. If you itemize deductions, enter total from page 2

b. Subtract line 11a from line 9. 9

c. Copy total exemptions from page 2 here 9, multiply by \$600 5400.00

d. Subtract line 11c from line 11b. (Figure your tax on this amount by using tax rate schedule on page 9 of instructions and enter tax on line 12.) 16595.58

12. TAX—CREDITS—PAYMENTS 4122.56

13a. Initials SA MAR 3 1967

13b. Account No. 12237

13c. Other credits (Specify—see page 5 of instructions) 12.85

14. Balance (subtract line 13c from line 12) 4109.65

15. Tax from recomputing prior year investment credit (attach statement) 4109.65

16. Total (add lines 14 and 15) 4109.65

17. Self-employment tax (Schedule C-3 or F-1) 2876.26

18. Total tax (add lines 16 and 17) 863.20

19a. Tax withheld (line 2, column (a) above) 863.20

b. 1963 Estimated tax payments and credits 863.20

c. Total (add lines 19a and b) 863.20

20. If payments (line 19c) are less than tax (line 18), enter Balance Due. 13246.45

21. If payments (line 19c) are larger than tax (line 18), enter Overpayment. 80.54

22. Amount of line 21 you wish credited to 1964 Estimated Tax 38.71

23. Subtract line 22 from 21. 41.83

Apply to: ☐ U.S. Savings Bonds, with excess refunded, or ☐ Refund only

*** LIST YOUR EXEMPTIONS AND SIGN ON OTHER SIDE**

1964-1963

SCHLEE

E A.—EXEMPTIONS. (See page 6 of instructions)

Page 2

Exemptions for yourself—and wife (only if all her income is included in this return, or she had no income)

Check boxes which apply:

(a) Regular \$600 exemption ☒ Yourself ☒ Wife

(b) Additional \$600 exemption if 65 or over at end of 1963 ☐ Yourself ☐ Wife

(c) Additional \$600 exemption if blind at end of 1963 ☐ Yourself ☐ Wife

Enter number of boxes checked $\rightarrow$ 2

2. Exemptions for your children and other dependents (list below)

a. If an exemption is based on a multiple-support agreement of a group of persons, attach the declarations described on page 6 of instructions.

NAME Enter figure 1 in the last column to right for each name listed (Give address if different from yours)	Relationship	Months lived in your home. If born or died during year also write "B" or "D"	Did dependent have income of \$600 or more?	Amount YOU furnished for dependent's sup- port. If 100% write "ALL"	Amount furnished by OTHERS including dependent	
JAMES	SON			\$	\$	1
JOANNE	DAUGHTER					1
SALVATORE, JR.	SON					1
MICHAEL	DAUGHTER					1
MICHAEL	SON					1
DAVID	DAUGHTER					1
BONNIE	SON					1

3. Total exemptions (lines 1 and 2 above). (Enter here and on line 10 or 11c, page 1) $\rightarrow$ 9

ITEMIZED DEDUCTIONS—If you do not use tax table or standard deduction

If husband and wife (not legally separated) file separate returns and one itemizes deductions, the other must also itemize. If necessary, write more than one item on a line or attach additional sheets. Put name and address on all attachments.

Contributions If other than money, attach required statement—see instructions	CHURCH of Our Lady BILLYN	500—	Total (not to exceed 20% of line 9, page 1, except as described on page 7 of instructions) $\rightarrow$ \$ 500—
	VARIOUS OTHER CHARITIES		
Interest expense	Home mortgage 643.25		Total interest $\rightarrow$ 643.25
	Other interest expense (specify)		
Taxes	Real estate taxes 351.20	State income taxes 217.03	Total taxes $\rightarrow$ 743.23
	State and local sales taxes 125	Other taxes (specify) TOBACCO 50—	
Medical and dental expense Attach itemized list. Do not enter any expense compensated by insurance or otherwise	NOTE: If you or your wife are 65 or over, or if either has a dependent parent 65 or over, see page 8 of instructions for possible larger deduction.		Total other deductions $\rightarrow$ 416.59
	1. Total cost of medicine and drugs \$ 500.00 2. Enter 1% of line 9, page 1. 280.48 3. Subtract line 2 from line 1 219.52 4. Other medical, dental expenses (include hospital insurance premiums) 478.75 5. Total (add lines 3 and 4) 698.27 6. Enter 3% of line 9, page 1 (see note above) 500.70 7. Subtract line 6 from line 5, see page 8 of instructions for maximum limitation 197.57		
Other deductions See page 8 of instructions	Total other deductions $\rightarrow$		
Total itemized deductions (Enter here and on line 11a, page 1) $\rightarrow$			\$ 605.107

EXPENSE
ACCOUNT
INFORMATION

Did you receive an expense allowance or reimbursement, or charge expenses to your employer? ☐ Yes ☒ No See page 4, instructions

If "Yes," did you submit itemized accounting of all such expenses to your employer? ☐ Yes ☒ No

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief it is true, correct, and complete. If prepared by a person other than taxpayer, his declaration is based on all information of which he has any knowledge.

Sign here Schlee Taxpayer's signature and date 4/16/64 If joint return, BOTH HUSBAND AND WIFE MUST SIGN Margaret Schlee Wife's signature and date 4/16/64

Sign here _____ Signature of preparer other than taxpayer

Address _____

Date _____

MEDICAL CHARGES

DR. LUDLAM	\$ 70.-
OPTOMETRIC CENTER OF N.Y.	48.-
DR. B. RUBIN	120.-
DR. SOLOMON	30.-
DR. PERRY - DDS	28.-
DR. CHERNOW - DDS	49.-
WYCKOFF HOSPITAL	7.-
DR. STORCH (Family Doctor)	1810.-
MAJOR MEDICAL PROM.	140.-
TAXI'S TO DOCTORS	75.-
LUTHERAN HOSPITAL - Net	1550.50
NURSES AT LUTHERAN HOSPITAL	730.-
DR. ANTEYLES	70.-
ANESTHESIA	60.-
	\$ 4787.50

AIR FREIGHT HAULAGE CO.
1963

SCHEDULE OTHER BUSINESS EXPENSES

CHRISTMAS EXPENSES	\$ 111.25
RADIO RENTAL	647.88
CLEANING & OFFICE EXPENSE	513.02
ALARM PROTECTION	235.85
ADVERTISING	158.07
REPAIRS & MAINTENANCE	369.80
POSTAGE	255.83
TELEPHONE	1981.30
INSURANCE	1173.22
LIGHT, HEAT & POWER	405.93
STATIONARY & PRINTING	328.52
ENTERTAINMENT	31.86
UNION WELFARE & PENSION	477.50
TOTAL	7190.05

SCHEDULE OF TAXES

FOAB	716.62
N.Y.S. U.I.	451.48
DBL	29.96
F.U.I.	127.59
N.Y.C. GROSS RECEIPTS	2058.81
N.Y.C. OCCUPANCY	8.00
N.Y.S. UNINCORPORATED BUS TAX	216.32
TOTAL	3608.78

Schedule C (Form 1040) 1963

SCHEDULE C-2. EXPLANATION OF DEDUCTION FOR DEPRECIATION CLAIMED ON LINE 11

This schedule is designed for taxpayers using the alternative guidelines and administrative procedures described in Revenue Procedure 2-21 as well as for those taxpayers who wish to continue using procedures authorized prior to the revenue procedure. Where double headings appear use the first heading for the new procedure and the second heading for the older procedure.

1. Group and guideline class Description of property	2. Cost or other basis at beginning of year OR Cost or other basis	3. Asset additions in year (amount) OR Date acquired	4. Asset retirements in year (amount) (applicable only to Rev. Proc. 62-21)	5. Depreciation allowed or allowable in prior years	6. Method of computing depreciation	7. Class life OR Rate (%) or life	8. Depreciation for this year
FURNITURE & FIXTURES	3728.35	1/62		225.10	S.L.	10%	171.24
AUTOMOBILE	449.91	1/62		1483.30	S.L.	33 1/3%	741.85
FURNITURE & FIXTURES	532.69	1/62		-0-	S.L.	54%	53.26
DEPRECIATION TAKEN TO 6/30/63							
Totals	9116.95						966.80
Less: Amount of depreciation claimed elsewhere in Schedule C							966.80
Balance—Enter here and on line 11, page 1							
Amount of additional first-year depreciation included above							
Cost or other basis of fully depreciated assets still in use							

INVENTORY QUESTIONS

1. Was inventory valued at—Cost ☐; lower of cost or market ☐; other ☐. If other, attach explanation.
2. Have write-downs been made to inventory? Yes ☐ No ☐. If "Yes," were the write-downs computed on the basis of:
- (a) ☐ Percentage reductions from parts of the inventory
- (b) ☐ Percentage reductions from the total inventory
- (c) ☐ Valuation of individual items.
- If "a" or "b" is checked, enter the percentage of write-downs _____%. For "a," "b," or "c" enter the dollar amount of write-downs \$_____.
(If not available, estimate and indicate that the figure is an estimate.)
3. Was the inventory verified by physical count during the year?
Yes ☐ No ☐. If "No," attach explanation of how the closing inventory was determined.
4. Was there any substantial change in the manner of determining quantities, costs or valuations between the opening and closing inventories? Yes ☐ No ☐. If "Yes," attach explanation.
- NOTE: If a direct answer cannot be given to a question, attach explanation.

EXPENSE ACCOUNT INFORMATION

Enter information with regard to yourself and your five highest paid employees. In determining the five highest paid employees, expense account allowances must be added to their salaries and wages. However, the information need not be submitted for any employee for whom the combined amount is less than \$10,000, or for yourself if your expense account allowance plus line 27, page 1, is less than \$10,000. See separate instructions for Schedule C, for definition of "expense account."

Name	Expense account	Salary and Wages
Owner.....		XXXXXXXXXXXXXX
1.		
2.	NONE	
3.		
4.		
5.		

Did you claim a deduction for expenses connected with: (If answer to any question is "YES," check applicable boxes within that question.)

- F. A hunting lodge ☐, working ranch or farm ☐, fishing camp ☐, resort property ☐, pleasure boat or yacht ☐, or other similar facility ☐? (Other than where the operation of the facility was your principal business.) ☐ YES ☒ NO
- G. Vacations for you or members of your family, or employees or members of their families? (Other than vacation pay reported on Form W-2.) ☐ YES ☒ NO
- H. The leasing, renting, or ownership of a hotel room or suite ☐, apartment ☐, or other dwelling ☐, which was used by you, your customers, employees, or members of their families? (Other than use by yourself or employees while in business travel status.) ☐ YES ☒ NO
- I. The attendance of members of your family or your employees' families at conventions or business meetings? ☐ YES ☒ NO

SCHEDULE C-3 (Form 1040) U.S. Treasury Department Internal Revenue Service		COMPUTATION OF SOCIAL SECURITY SELF-EMPLOYMENT TAX Attach this schedule to your income tax return, Form 1040. See instructions on page 2.		1963	
> If you had wages of \$4,800 or more which were subject to social security taxes, do not fill in this page. > Complete only one Schedule C-3; if you had more than one business, combine profits (or losses) from all of your businesses on this Schedule. > Each self-employed person must file a separate schedule.					
NAME AND ADDRESS (as shown on page 1 of Form 1040) SALVATORE + ELIOT CIRAMI 61-44 ELIOT AVE. MASPETH, N.Y.					
NAME OF SELF-EMPLOYED PERSON (as shown on social security card) SALVATORE CIRAMI				Social Security Number 13-10315344	
1. Net profit (or loss) shown on line 27 Schedule C (Form 1040) (Enter combined amount if more than one business).....				20247 65	
2. Add to net profit (or subtract from net loss) losses of business property shown on line 23, Schedule C.....				20247 65	
3. Total (or difference).....					
4. Net income (or loss) from excluded services or sources included on line 3..... Specify excluded services or sources.....					
5. Net earnings (or loss) from self-employment—				20247 65	
(a) From business (line 3 less any amount on line 4).....					
(b) From partnerships, joint ventures, etc. (other than farming).....					
(c) From service as a minister, member of a religious order, or a Christian Science practitioner. Enter only if you have filed or are filing Form 2031.....					
(d) From farming reported on line 2 (or line 3 if option used), separate Schedule F-1 (Form 1040).....					
(e) From service with a foreign government or international organization.....				20247 65	
6. Total net earnings (or loss) from self-employment reported on line 5. Enter here and in item F below. (If line 6 is under \$400, you are not subject to self-employment tax. Do not fill in rest of page.)				20247 65	
7. The largest amount of combined wages and self-employment earnings subject to social security tax is.....				\$ 4,800 00	
8. Total wages, covered by social security, paid to you during the taxable year. (For "Covered" wages see "F.I.C.A. Wages" box on Form W-2.) Enter here and in item G, below.....				\$ 4800 00	
9. Balance (line 7 less line 8).....				\$ -0 -	
10. Self-employment income—line 6 or 9, whichever is smaller. Enter here and in item H, below.....				-0 -	
11. Self-employment tax—If line 10 is \$4,800, enter \$259.20; if less, multiply the amount on line 10 by 5.4%. Enter this amount here and on line 17, page 1, Form 1040.....				-0 -	

Do not detach

Important.—The amounts reported on the form below are for your social security account. This account is used in figuring any benefits, based on your earnings, payable to you, your dependents, and your survivors. Fill in each item accurately and completely.

SCHEDULE SE (Form 1040)
U.S. Treasury Department
Internal Revenue Service

U.S. REPORT OF SELF-EMPLOYMENT INCOME
For crediting to your social security account

1963

Indicate year covered by this return (even though income was received only in part of year) A. Calendar year 1963 ☒ or other taxable year beginning 1963, ending 6/30/63 If less than 12 months, was short year due to (a) ☐ Death, or (b) ☐ Change in accounting period, or (c) ☒ Other. TAXPAYER INCORPORATED		PLEASE DO NOT WRITE IN THIS SPACE	
B. BUSINESS ACTIVITIES SUBJECT TO SELF-EMPLOYMENT TAX (Grocery store, restaurant, etc.) TRUCKING		ENTER AMOUNT F. FROM LINE 6 \$ 20247 65	
C. BUSINESS ADDRESS (number and street, city or post office, State) BLDC # 84 INTL AIRPORT - JAMAICA, N.Y.		ENTER AMOUNT G. FROM LINE 8, IF ANY \$ 4800 00	
D. SOCIAL SECURITY ACCOUNT NUMBER OF PERSON NAMED IN ITEM 2 BELOW 13-10315344		ENTER AMOUNT H. FROM LINE 10 \$ -0 -	
E. PRINT OR TYPE NAME OF SELF-EMPLOYED PERSON AS SHOWN ON SOCIAL SECURITY CARD SALVATORE - CIRAMI		PRINT OR TYPE HOME ADDRESS (number and street or rural route) 61-44 ELIOT AVE. (City or post office, State, and postal ZIP code) MASPETH, N.Y.	

FORM 3468 U.S. Treasury Department Internal Revenue Service	COMPUTATION OF INVESTMENT CREDIT—1963 or taxable year beginning....., 1963, ending....., 19...	TO BE ATTACHED TO YOUR TAX RETURN
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Name (as shown on page 1 of your tax return) SALVATORE & MARGARET CIRAMI

Address (number and street) 61-44 ELIOT AVE.

City or town, and State MASPETH N.Y.

1. Qualified investment in new or used property

NOTE: Include your share of investment in property by a partnership, estate, trust, small business corporation, or lessor.

Type of property	Line	(1) Life years	(2) Cost or basis	(3) Applicable percentage	(4) Qualified investment (column 2 x column 3)
NEW PROPERTY	(a)	4 to 6	550 ¹⁴	33 1/3	183.51
	(b)	6 to 8		66 2/3	
	(c)	8 or more		100	
USED PROPERTY (for dollar limitation see instructions)	(d)	4 to 6		33 1/3	
	(e)	6 to 8		66 2/3	
	(f)	8 or more		100	

2. Total qualified investment—add lines 1(a) through 1(f)..... 183.51
3. Tentative investment credit—7% of line 2 (for public utility property, enter 3% of line 2)..... 12.85
4. Carryback and carryover of unused credit(s) (attach statement)..... 12.85
5. TOTAL (line 3 plus line 4).....

COMPUTATION OF TAX FOR PURPOSES OF LIMITATION

6. (a) Individuals (enter amount from line 12, page 1, Form 1040)..... 4122.50
- (b) Estates and trusts (enter amount from line 25 or 26, page 1, Form 1041).....
- (c) Corporations (enter amount from line 5, Tax Computation Schedule, Form 1120).....
7. Individuals, estates and trusts:
- Less: (a) Foreign tax credit.....
- (b) Dividends received credit.....
- (c) Retirement income credit.....
- (d) Total (add lines (a), (b), and (c))..... 4122.50
8. Balance (line 6 less line 7(d)).....

LIMITATION BASED ON AMOUNT OF TAX

(Married persons filing separately, affiliated groups, estates and trusts—see instructions)

9. (a) Enter amount on line 8 or \$25,000, whichever is lesser..... 4122.50
- (b) If line 8 is in excess of \$25,000, enter 25% of the excess..... 4122.50
- (c) Total (add lines (a) and (b))..... 12.85
10. Investment credit (enter amount on line 5 or 9(c), whichever is lesser).....

SCHEDULE A

If any part of the investment in 1 above was made by a partnership, estate, trust, small business corporation, or lessor complete the following:

Name (Partnership, estate, trust, etc.)	Address	Property		
		New	Used	Life years
		\$.....	\$.....	

A-27
REVENUE AGENT'S REPORT
(A27-41)

FORM 1007 (REV. DEC. 1958) TRANSLUCENT	PRELIMINARY STATEMENT	DATE OF REPORT 3/5/66
--	-----------------------	--------------------------

NAME OF TAXPAYER(S) <i>Silvestre + Margaret + Frank</i>	NAME OF EXAMINER <i>Edward Canale</i>
--	--

SUMMARY OF PROPOSED ADJUSTMENTS					
YEAR ENDED (OR PERIOD)	INCOME TAX		OTHER TAX (Specify) DEF. OR (O/A)	PENALTIES - INCREASE OR (DECREASE)	PARTIALITY OF FIDUCIARY INCOME INCREASE OR (DECREASE)
	DEFICIENCY	OVERASSESSMENT			
12/31/61	\$ 47,198.81		SEC 6653 (a) SEC 6651 (a)	2,114.91 11,874.65	
12/31/62	60,117.29		SEC 1153 (a)	3,030.32	
12/31/63	45,771.84		SEC 6653 (a)	2,885.59	
TOTALS	\$ 152,087.94			\$ 19,576.96	
NET DEFICIENCY (Overpayments)		AGREEMENT SECURED		NAME OF PERSON WITH WHOM FINDINGS DISCUSSED	
\$ 173,664.30		No		<i>Silvestre + Margaret</i>	

PRINCIPAL CAUSES OF CHANGES, AND OTHER INFORMATION

Insurance
commissions
loading charges
travel and entertainment
truck rental
repairs
road expenses
negligence penalty { Section 6653 (a) 1961, 1962 + 1963 }
delinquency penalty { Section 6651 (a) 1961 }

SCHEDULES AND/OR EXHIBITS ATTACHED

1, 1A, 1B, 1C + 2
 3, 3A, 3B, 3C + 4
 5, 5A, 5B + 6
 Pg. 1-15

FORM 1908 (REV. JULY 1964)		U.S. TR INTERNAL REVENUE SERVICE		SCHEDULE 1	
ADJUSTMENTS TO INCOME				TAXABLE YEAR END 12/31/61	
NAME OF TAXPAYER <i>Salvatore & Margaret Grania</i>					
1. Adjusted gross income reported on return and separately adjusted				\$ 4617.58	
2. Additional income and allowable deductions					
(a)	interest income	\$	50.75		
(c)	rent		107.00		
(2)	insurance		1607.09		
(1)	commissions		3003.78		
(1)	loading charges		5544.89		
(2)	telephone		100.00		
(2)	travel and entertaining		1772.88		
(2)	rental of trucks		67716.12		
(1)	depreciation and maintenance of trucks		3095.02		
(1)	paid expenses		4920.00		
				929.853	
3. TOTAL - (Line 1 and items under line 2)				\$ 97536.11	
4. Nontaxable income and additional deductions					
(a)	standard deduction	\$	1,000.00		
(2)	exemptions		4,800.00		
				5800.00	
5. Corrected adjusted gross taxable income (Line 3 minus total of items under line 4)				\$ 91736.11	
GAINS OR (LOSSES)		NET GAIN OR (LOSS) UNDER SECTION 1231	NET LONG-TERM CAPITAL GAIN OR (LOSS)	NET SHORT-TERM CAPITAL GAIN OR (LOSS)	
6. Gains or (Losses) reported on return		\$	\$	\$	
INCREASE (DECREASE)					
7. Gain or (Losses) as corrected		\$	\$	\$	

FORM 886-A (REV. NOV. 1967) TRANSLUCENT		U. S. TR. JURY DEPARTMENT - INTERNAL REVENUE SERV.	SCHEDULE 1A
NAME: TAXPAYER		YEAR: 1971	
SALVATORE + MARGARET CIRIO			
(a) Interest income	\$ 50.75		
" " " " per return	0		
increase			\$ 50.75
For interest income not reported			
(b) Rent - per return	\$ 1,790.00		
" " " " allowed	1,182.00		
adjustment			\$ 1,050.00
For elimination of a personal expense			
(c) Insurance - per return	\$ 5,084.66		
" " " " allowed	3,471.57		
adjustment			\$ 1,607.09
For personal insurance unallowable as business expense			
(d) Commissions - per return	\$ 3,003.78		
" " " " allowed	0		
adjustment			\$ 3,003.78
For lack of adequate substantiation			
(e) Loading charges - per return	\$ 5,544.89		
" " " " allowed	0		
adjustment			\$ 5,544.89
For lack of adequate substantiation			

FORM 826-A (REV. NOV. 1957) TRANSLUCENT	U. S. TREASURY DEPARTMENT - INTERNAL REVENUE SERVICE EXPLANATION OF ITEMS	SCHEDULE NO. 1 153
NAME OF TAXPAYER SALVATORE - MARGARET CIRAMI		YEAR 12/31/51
(1) Telephone expense - for return " " " " allowed	\$ 2,63.94 3363.94	\$ 100.00
adjustment For lack of substantiation		
(2) Travel and entertaining - for return " " " " allowed disallowed	\$ 1,774.88 0 1,774.88	\$ 1,774.88
For lack of adequate substantiation		
(3) Rental of Trucks - for return " " " " allowed disallowed	\$ 67,716.12 0 67,716.12	\$ 67,716.12
For lack of adequate substantiation		
(4) Repairs & maintenance of Trucks " " " " " " allowed disallowed	\$ 809.02 0 809.02	\$ 809.02
For lack of adequate substantiation		
(5) Road expenses, tolls etc - for return " " " " " " allowed disallowed	\$ 9357.75 14437.75 4910.00	\$ 4910.00
For lack of substantiation		

FORM 886-A (REV. NOV. 1957) TRANSLUCENT	U. S. T	TREASURY DEPARTMENT - INTERNAL SECURITY	EXPLANATION OF ITEMS	SCHEDULE 12
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NAME OF TAXPAYER

Salvatore + Margaret Chami

YEAR

12/31/61

(a) Standard deduction - allowed \$ 1,000.00
 " " " " for return 0
 allowance \$ 1,000.00

For allowance of standard deduction
 in lieu of itemized deductions

4 (+) Personal exemptions \$ 4,000.00
 " " " " for return 0
 allowed \$ 4,000.00

For allowance of personal exemptions
 with computation of tax on
 corrected taxable income - for
 schedule 1.

Schedule 2 - line 15: (a) Delinquent penalty assessed
 on deficiency under Section
 6651 (a) of I.R. Code:
 statutory deficiency \$7698.41 x 75% = \$1194.55
 previously assessed 51.95
 \$ 1197.60

(b) Delinquent penalty assessed on
 deficiency under Section 6653 (a)
 I.R. Code for portion of interest
 income + personal withholds charged
 no deficiency before 5% x \$7698.41 = \$ 2354.91

SUPPLEMENTAL Form 1909 FOR 90 DAY LETTER

U. S. TREASURY - DEPARTMENT - INTERNAL REVENUE SERVICE		SCHEDULE NO.
FORM 1909 (REV. AUG. 1964)		2
COMPUTATION OF INCOME TAX - INDIVIDUALS		
NAME OF TAXPAYER(S) S. J. B. & M. J. B. & M. J. B.		YEAR ENDED/PERIOD 12/31/61
1. Corrected adjusted gross or taxable income (From schedule <u>1</u>)		\$ 91,736.11
2. If tax table is applicable: Tax on corrected adjusted gross income with _____ exemptions		\$ —
3. If tax table is NOT applicable, tax on corrected taxable income - computed for: ☐ SINGLE PERSON ☐ SURVIVING SPOUSE ☐ HEAD OF A HOUSEHOLD ☐ MARRIED PERSONS FILING SEPARATELY ☒ MARRIED PERSONS FILING JOINTLY		\$ 47,690.00
4. Alternative tax, if computed (From schedule _____)		\$ —
5. Corrected applicable tax: Line 3, or 4		\$ 47,690.00
6. Less:		\$ —
A. Dividends received credit (From schedule _____)		—
B. Retirement income credit (From schedule _____)		—
C. Investment credit (From schedule _____)		—
D. Other allowable credits if deductions itemized: (From schedule _____)		0
7. Balance: Line 5 less total of amounts in line 6		\$ 47,690.00
8. Plus:		\$ —
A. Tax from recomputing prior year investment credit (From schedule _____)		—
B. Self-Employment tax on net earnings or as corrected (From schedule _____)		216.00
9. Corrected income tax liability - Line 7 plus Line 8		\$ 47,906.00
10. Tax shown on return or as previously adjusted		207.79
11. Statutory deficiency or overassessment - difference between Lines 9 and 10		\$ 47,698.21

COMPUTATION OF ADDITIONAL TAX DUE OR OF NET OVERASSESSMENT

	SHOWN ON YOUR RETURN		AS CORRECTED	
		\$		\$
12. Total income tax liability		207.79		47,906.00
13. Less net adjustments:	\$	—	\$	—
A. Income tax withheld		—		—
B. F.I.C.A. tax credit		—		—
C. Payments on estimated tax		—		—
D. Regulated investment company undistributed capital gain credit		—		—
E. Previous assessments		207.79		207.79
F. Sum of amounts A through E	\$	207.79	\$	207.79
G. Deduct previous refunds and/or credits		—		—
4. Additional tax (Net overassessment)		0		47,698.21

U. S. TREASURY DEPARTMENT - INTERNAL REVENUE SERVICE		SCHEDULE NO.
FORM 1909 (REV. AUG. 1964)		2
COMPUTATION OF INCOME TAX - INDIVIDUALS		
NAME OF TAXPAYER(S) SALVATORE + MARGARET CIRAMI		YEAR ENDED/PERIOD 12/31/61
1. Corrected adjusted taxable income (From schedule 1)		\$ 91,736.11
2. If tax table is applicable: Tax on corrected adjusted gross income with _____ exemptions		\$ —
3. If tax table is NOT applicable, tax on corrected taxable income - computed for: ☐ SINGLE PERSON ☐ SURVIVING SPOUSE ☐ HEAD OF A HOUSEHOLD ☐ MARRIED PERSONS FILING SEPARATELY ☒ MARRIED PERSONS FILING JOINTLY		\$ 47,690.00
4. Alternative tax, if computed (From schedule _____)		\$ —
5. Corrected applicable tax: Line 3, <u>2</u>		\$ 47,690.00
6. Less:		\$ —
A. Dividends received credit (From schedule _____)		—
B. Retirement income credit (From schedule _____)		—
C. Investment credit (From schedule _____)		—
D. Other allowable credits if deductions itemized: (From schedule _____)		0
7. Balance: Line 5 less total of amounts in line 6		\$ 47,690.00
8. Plus:		\$ —
A. Tax from recomputing prior year investment credit (From schedule _____)		—
B. Self-Employment tax on return was corrected (From schedule _____)		216.00
9. Corrected income tax liability - Line 7 plus Line 8		\$ 47,906.00
10. Tax shown on return was previously assessed		407.79
1. Statutory deficiency or (overassessment) - difference between Lines 9 and 10		\$ 47,698.21
COMPUTATION OF ADDITIONAL TAX DUE OR OF NET OVERASSESSMENT		
	SHOWN ON YOUR RETURN	AS CORRECTED
2. Total income tax liability	\$ 407.79	\$ 47,906.00
3. Less net adjustments:	\$ —	\$ —
A. Income tax withheld	—	—
B. F.I.C.A. tax credit	—	—
C. Payments on estimated tax	—	—
D. Regulated investment company undistributed capital gain credit	—	—
E. Previous assessments	407.79	407.79
F. Sum of amounts A through E	\$ 407.79	\$ 407.79
G. Deduct previous refunds and/or credits	—	407.79
4. Additional tax or (overassessment)	\$ 0	\$ 47,698.21
5. Refund or (overassessment)	\$ —	\$ 47,698.21

FORM 1908 (REV. JULY 1964)		U. S. TREASURY DEPARTMENT - INTERNAL REVENUE SERVICE ADJUSTMENTS TO INCOME		SCHEDULE 2
NAME OF TAXPAYER <i>Salvatore & Margaret Girani</i>				TAXABLE YEAR ENDED <i>12/31/64</i>
1. Adjusted gross income reported on return as previously reported				\$ <i>4,100.00</i>
2. Additional income and unallowable deductions				
(a)	interest income		\$ 67.07	
(b)	dividends		256.04	
(c)	Truck rental		84,652.00	
(d)	Truck repair & maintenance		7192.55	
(e)	insurance		1,068.78	
(f)	telephone		289.65	
(g)	road expenses, tolls and parking		5,720.00	
(h)	food and entertainment		2,354.86	
(i)	commissions		1,693.07	
(j)	miscellaneous deductions		4,009.17	
				<i>107,298.04</i>
3. TOTAL - (Line 1 and items under line 2)				\$ <i>111,399.50</i>
4. Nontaxable income and additional deductions				
(a)	standard deduction		\$ 1,000.00	
5. Corrected adjusted gross taxable income (Line 3 minus total of items under line 4)				\$ <i>110,399.50</i>
GAINS OR (LOSSES)		NET GAIN OR (LOSS) UNDER SECTION 1231	NET LONG-TERM CAPITAL GAIN OR (LOSS)	NET SHORT-TERM CAPITAL GAIN OR (LOSS)
Gains or (Losses) reported on return		\$	\$	\$
INCREASE (DECREASE)				
Gains or (Losses) as corrected		\$	\$	\$

FORM 886-A (REV. NOV. 1957) TRANSLUCENT	U. S. TREASURY DEPARTMENT - INTERNAL REVENUE SERV. EXPLANATION OF ITEMS	SCHEDULE NO. C Part 3A
NAME OF TAXPAYER	YEAR	
SALVATORE + MARGARET CIRAMI	12/31/62	
② Interest income	62.02	
" " " " - for return	0	
increase		62.02
For income not reported		
③ Salaries - for return	8,937.07	
" " allowed	8,650.63	
adjustment		286.44
For excessive salary deduction		
not substantiated		
④ Truck rental - for return	8,465.00	
" " allowed	0	
(disallowed)		8,465.00
For lack of adequate substantiation		
⑤ Truck repair & maintenance - for return	7,192.55	
" " " " " " allowed	0	
(disallowed)		7,192.55
For lack of adequate substantiation		
⑥ Insurance - for return	6,997.71	
" " " " " " allowed	4,318.93	
adjustment		2,678.78
For personal insurance allowable		
as a business expense		

FORM 886-A (REV. NOV. 1957) TRANSLUCENT	U. S. TREASURY DEPARTMENT - INTERNAL REVENUE SERVICE EXPLANATION OF ITEMS	SCHEDULE NO. 1 EXHIBIT 3.12
NAME OF TAXPAYER EUGENE + MARGARET CIRIMI		YEAR 12/31/57

(1) Itemized deductions - per return 4,009.17
 " " " " " allowed 0
 adjustment 4,009.17
 for lack of substantiation

(2) Standard deduction 1,000.00
 " " " " " per return 0
 1,000.00

For allowance of standard deduction
 in lieu of itemized deductions

Schedule 4 - Line 15

Regulation penalty assessed under
 Section 6613 (4) for omission of
 interest income and personal
 withdrawals claimed as business
 expense at 5% of net taxable deficiency
 Line 11, Schedule 4

5% x 60,606.77 =

\$ 3,030.34

U. S. TREASURY DEPARTMENT - INTERNAL REVENUE SERVICE		SCHEDULE
FORM 1909 (REV. AUG. 1964)		L
COMPUTATION OF INCOME TAX - INDIVIDUALS		
NAME OF TAXPAYER(S) <i>SALVATORE + MARGARET CIRAMI</i>		YEAR <i>12/31/65</i>
1. Corrected adjusted gross taxable income (From schedule <u>3</u>)		\$ <i>110,300.00</i>
2. If tax table is applicable: Tax on corrected adjusted gross income with _____ exemptions		\$ _____
3. If tax table is NOT applicable, tax on corrected taxable income - computed for: ☐ SINGLE PERSON ☐ SURVIVING SPOUSE ☐ HEAD OF A HOUSEHOLD ☐ MARRIED PERSONS FILING SEPARATELY ☒ MARRIED PERSONS FILING JOINTLY		\$ <i>61,439.48</i>
4. Alternative tax, if computed (From schedule _____)		\$ _____
5. Corrected applicable tax: Line <u>3</u>		\$ <i>61,439.48</i>
6. Less:		\$ _____
A. Dividends received credit (From schedule _____)		_____
B. Retirement income credit (From schedule _____)		_____
C. Investment credit (From schedule _____)		_____
D. Other allowable credits if deductions itemized: (From schedule _____)		_____
7. Balance: Line 5 less total of amounts in line 6		\$ <i>61,439.48</i>
8. Plus:		\$ _____
A. Tax from recomputing prior year investment credit (From schedule _____)		_____
B. Self-Employment tax on return of or <i>or</i> or <i>or</i> (From schedule _____)		<i>775.60</i> <i>775.60</i>
9. Corrected income tax liability - Line 7 plus Line 8		\$ <i>61,465.08</i>
10. Tax shown on return or as previously adjusted		<i>1,047.79</i>
11. Statutory deficiency and <i>or</i> or <i>or</i> - difference between Lines 9 and 10		\$ <i>60,397.29</i>
COMPUTATION OF ADDITIONAL TAX DUE OR OF NET OVERASSESSMENT		
	SHOWN ON YOUR RETURN	AS CORRECTED
12. Total income tax liability	\$ <i>1,047.79</i>	\$ <i>61,554.05</i>
13. Less net adjustments:	\$ _____	\$ _____
A. Income tax withheld	_____	_____
B. F.I.C.A. tax credit	_____	_____
C. Payments on estimated tax	_____	_____
D. Regulated investment company undistributed capital gain credit	_____	_____
E. Previous assessments	<i>1,047.79</i>	<i>1,047.79</i>
F. Sum of amounts A through E	\$ <i>1,047.79</i>	\$ <i>1,047.79</i>
G. Deduct previous refunds and/or credits	<i>1,047.79</i>	<i>1,047.79</i>
14. Additional tax on (From line 13, column 1)	<i>0</i>	_____
15. Total tax due to the tax authority	<i>0</i>	_____

FORM 1908 (REV. JULY 1964)		U. S. TR		JRY DEPARTMENT - INTERNAL REVENUE SERV		SCHEDULE	
ADJUSTMENTS TO INCOME						TAXABLE YEAR ENDED 12/31/55	
NAME OF TAXPAYER <i>Robert & Margaret Quinn</i>							
1. Adjusted taxable income reported on return of previous year						\$ 16,595.58	
2. Additional income and unallowable deductions							
(1)	<i>salaries</i>		\$	19,679.58			
(4)	<i>truck expenses</i>			4,997.11			
(2)	<i>rent</i>			815.00			
(3)	<i>Christmas expenses</i>			111 W			
(2)	<i>insurance</i>			1,173.22			
(12)	<i>itemized deductions</i>			6,052.07			
						77,813.23	
3. TOTAL - (Line 1 and items under line 2)						\$ 94,408.81	
4. Nontaxable income and additional deductions							
(2)	<i>Standard deduction</i>		\$	1,000.00			
						1,000.00	
5. Corrected adjusted taxable income (Line 3 minus total of items under line 4)						\$ 93,408.81	
GAINS OR (LOSSES)				NET GAIN OR (LOSS) UNDER SECTION 1231	NET LONG-TERM CAPITAL GAIN OR (LOSS)	NET SHORT-TERM CAPITAL GAIN OR (LOSS)	
6. Gains or (Losses) reported on return				\$	\$	\$	
INCREASE (DECREASE)							
7. Gains or (Losses) as corrected				\$	\$	\$	

FORM 886-A (REV. NOV. 1967) TRANSLUCENT	U. S. T.	TAX DEPARTMENT - INTERNAL REVENUE SER	SCHEDULE NO. 6 EXEMPT 2A
EXPLANATION OF ITEMS			YEAR
NAME OF TAXPAYER SALVATORE + MARSADET CRAMI			12/31/63
2(a) Salaries - for return " " allowed disallowed	\$ 19,589.32 0	\$ 19,589.32	
For failure to supply records for substantiation of many deductions			
2(b) Travel expense - for return " " allowed disallowed	\$ 4,997.11 0	\$ 4,997.11	
For failure to substantiate			
2(c) Rent - for return " " allowed disallowed	\$ 875.00 0	\$ 875.00	
For failure to substantiate			
2(d) Christmas expense - for return " " " " allowed disallowed	\$ 111.25 0	\$ 111.25	
For failure to substantiate			
2(e) Insurance - for return " " " " allowed disallowed	\$ 1,173.22 0	\$ 1,173.22	
For failure to substantiate			

FORM 886-A REV. NOV. 1957 TRANSLUCENT		U.S. DEPARTMENT OF THE TREASURY INTERNAL REVENUE SERVICE	SECTION 1 EXPLANATION OF ITEMS	DATE 12/31/57
NAME OF TAXPAYER SARAH E. + MARSHALL CRAM				
2) Itemized deductions - for return			\$ 6052.07	
" " " " allowed			0	
adjustment				\$ 6052.07
For failure to substantiate deduction for contributions, interest, taxes and medical expense				
4(c) Standard deduction allowable			\$ 1000.00	
" " " " for return			0	
adjustment				\$ 1000.00
For allowance of 10% deduction from adjusted gross income in lieu of itemized deductions disallowed under item 2f.				
Line (15) Schedule (6)				
Negligence penalty assessed under Section 6653 (a) of the Internal Revenue Code for omission of interest income - 1% of statutory deficiency. Line 11 Schedule 6 is				
5% x \$ 45,771.84		=		\$ 2,288.59

FORM 1909 (REV. AUG. 1964)		U. S. TREASURY DEPARTMENT - INTERNAL REVENUE SERVICE COMPUTATION OF INCOME TAX - INDIVIDUALS		SCHEDULE NO. 6	
NAME OF TAXPAYER(S) SALVATORE + MARGARET CIRAMI				YEAR ENDED/PERIOD 12/31/63	
1. Corrected adjusted gross taxable income (From schedule 5)				\$ 93,402.81	
2. If tax table is applicable: Tax on corrected adjusted gross income with _____ exemptions				\$ —	
3. If tax table is NOT applicable, tax on corrected taxable income - computed for: ☐ SINGLE PERSON ☐ SURVIVING SPOUSE ☐ HEAD OF A HOUSEHOLD ☐ MARRIED PERSONS FILING SEPARATELY ☒ MARRIED PERSONS FILING JOINTLY				\$ 48,894.34	
4. Alternative tax, if computed (From schedule _____)				\$ —	
5. Corrected applicable tax: Line 3, 4				\$ 48,894.34	
6. Less:				\$ —	
A. Dividends received credit (From schedule _____)				—	
B. Retirement income credit (From schedule _____)				—	
C. Investment credit (From schedule _____)				12.85	
D. Other allowable credits if deductions itemized: (From schedule _____)				—	
7. Balance: Line 5 less total of amounts in line 6				\$ 49,881.49	
8. Plus:				\$ —	
A. Tax from recomputing prior year investment credit (From schedule _____)				—	
B. Self-Employment tax on return or as corrected (From schedule _____)				—	
9. Corrected income tax liability - Line 7 plus Line 8				\$ 49,881.49	
10. Tax shown on return or as previously adjusted				\$ 4,109.65	
11. Statutory deficiency or overassessment - difference between Lines 9 and 10				\$ 45,771.84	
COMPUTATION OF ADDITIONAL TAX DUE OR OF NET OVERASSESSMENT					
	SHOWN ON YOUR RETURN		AS CORRECTED		
12. Total income tax liability		\$ 4,109.65		\$ 49,881.49	
13. Less net adjustments:	\$ 863.20		\$ 863.20		
A. Income tax withheld	—		—		
B. F.I.C.A. tax credit	—		—		
C. Payments on estimated tax	—		—		
D. Regulated investment company undistributed capital gain credit	—		—		
E. Previous assessments	3,246.45		3,246.45		
F. Sum of amounts A through E	\$ 4,109.65		\$ 4,109.65		
G. Deduct previous refunds and/or credits	—	4,109.65	—	4,109.65	
14. Additional tax or (Refund)		\$ 0		\$ 45,771.84	
				\$ 45,771.84	

STATUTORY NOTICE OF DEFICIENCY
(pp. A42-A46)



U. S. TREASURY DEPARTMENT
INTERNAL REVENUE SERVICE
DISTRICT DIRECTOR
FEDERAL BUILDING
25 TILLARY STREET
BROOKLYN, NEW YORK 11201

SEP 14 1966

IN REPLY REFER TO
Form L-21
AU:R:90D

Mr. Salvatore Cirami and
Mrs. Margaret Cirami
61-44 Eliot Avenue
Kaspoth, New York

Dear Mr. and Mrs. Cirami:

TAXABLE YEAR ENDED	DEFICIENCY
Dec. 31, 1961	
Tax	\$47,698.21
Penalty	\$14,309.46
Dec. 31, 1962	
Tax	\$60,617.29
Penalty	\$ 3,030.86
Dec. 31, 1963	
Tax	\$44,771.84
Penalty	\$ 2,238.59

In accordance with the provisions of existing internal revenue laws, notice is given that the determination of your income tax liability for the above-noted taxable year(s) discloses a deficiency (or deficiencies) in the amount(s) shown above. The attached statement shows the computation of the deficiency or deficiencies.

IF YOU AGREE to this determination, please sign the enclosed agreement, Form 870, and return it promptly to this office. An addressed envelope is enclosed for this purpose. The signing and filing of this agreement will permit an early assessment of the deficiency or deficiencies and will limit the accumulation of interest.

IF YOU DO NOT AGREE, and do not sign and return the enclosed form, the deficiency or deficiencies will be assessed for collection, as required by law, upon the expiration of ninety days from the date of this letter, unless within that time you contest this determination in the Tax Court of the United States by filing a petition with that Court in accordance with its rules, a copy of which may be obtained by writing to its Clerk, Box 70, Washington, D. C. 20044.

Very truly yours,

Sheldon S. Cohen
Commissioner

By
Charles A. Church
District Director

Enclosures -
Statement
Agreement, Form 870
Addressed envelope

STATEMENT

Mr. Salvatore Ciriemi and
Mrs. Margaret Ciriemi
61-44 Eliot Avenue
Maspeth, New York

Tax Liability For The Taxable Years Ended
December 31, 1961, December 31, 1962 and December 31, 1963

INCOME TAX

<u>Year</u>	<u>Deficiency</u>	<u>Penalty Section 6651(a)</u>	<u>Penalty Section 6653(a)</u>
1961	\$ 47,698.21	\$11,924.55	\$2,384.91
1962	60,617.29	-0-	3,030.86
1963	44,771.84	-0-	2,238.59
Totals	\$153,087.34	\$11,924.55	\$7,654.36

Inasmuch as you failed to file a return for the year ended December 31, 1961 within the time prescribed by law, 25% of the tax has been added thereto in accordance with the provisions of section 6651(a) of the Internal Revenue Code of 1954.

The 5% penalty has been asserted for the years ended December 31, 1961, December 31, 1962 and December 31, 1963 in accordance with the provisions of section 6653(a) of the Internal Revenue Code of 1954.

Taxable Year Ended December 31, 1961
Adjustments to Taxable Income

Adjusted gross income disclosed in the return
Additional income and unallowable deductions:

(a) Interest income	\$ 50.75	
(b) Rent expense	108.00	
(c) Insurance expense	1,607.09	
(d) Commissions expense	3,003.78	
(e) Loading charges	5,544.89	
(f) Telephone expense	100.00	
(g) Travel and entertaining	1,772.88	
(h) Rental of trucks	67,716.12	
(i) Repairs and maintenance of trucks	8,095.02	
(j) Road expenses	4,920.00	
Total		92,918.53
		\$97,536.11
Non-taxable income and additional deductions:		
(k) Standard deduction	\$1,000.00	
(l) Personal exemptions	4,800.00	
Taxable income as adjusted		5,800.00
		\$91,736.11

\$ 4,617.58

Explanation of Adjustments

- (a) It has been determined that interest income in the amount shown was unreported.
- (b) and (c) - These amounts of the claimed deductions (deemed to be personal expenses) are disallowed because you have not established that they are allowable under any section of the Internal Revenue Code of 1954.
- (d) through (j) inclusive - These amounts of the business deductions claimed in Schedule "C" of Form 1040 are disallowed for lack of substantiation and/or because you have not established that they are allowable under any section of the Internal Revenue Code of 1954.
- (k) The maximum standard deduction of \$1,000.00 is allowed.
- (l) Deductions are allowed for the eight claimed personal exemptions.

Computation of the Tax

Taxable income as adjusted		<u>\$91,736.11</u>
Income tax liability	\$47,690.00	
Plus: Self employment tax	<u>216.00</u>	\$47,906.00
Liability disclosed in the return		<u>207.79</u>
Deficiency in income tax		\$47,698.21
Penalty - Section 6651(a)		\$11,921.55
Penalty - Section 6653(a)		\$ 2,384.91

Taxable Year Ended December 31, 1962
Adjustments to Taxable Income

Taxable income disclosed in the return		\$ 4,100.26
Additional income and unallowable deductions:		
(a) Interest income	\$ 62.02	
(b) Cost of labor	256.44	
(c) Truck rental	84,652.00	
(d) Truck repair and maintenance	7,192.55	
(e) Insurance expense	1,068.78	
(f) Telephone expense	269.65	
(g) Road expenses, tolls and parking	5,720.00	
(h) Travel and entertaining	1,817.77	
(i) Sales commissions	1,693.02	
(j) Christmas expenses	537.09	
(k) Itemized deductions	<u>4,009.11</u>	<u>107,288.11</u>
Total		\$111,399.30
Non-taxable income and additional deductions:		
(1) Standard deduction		<u>1,000.00</u>
Taxable income as adjusted		\$110,399.30

-5-

Explanation of Adjustments

- (a) It has been determined that interest income in the amount shown was unreported.
- (b) through (j) inclusive - These amounts of the business deductions claimed in Schedule "C" of Form 1040 are disallowed for lack of substantiation and/or because you have not established that they are allowable under any section of the Internal Revenue Code of 1954.
- (k) and (l) Since you have failed to substantiate the itemized deductions claimed in your return, they are disallowed. In lieu, thereof, the standard deduction is allowed.

Computation of the Tax

Taxable income as adjusted		\$110,369.30
Income tax liability	\$61,439.48	
Plus: Self employment tax	<u>225.60</u>	\$ 61,665.08
Liability disclosed in the return		<u>1,047.79</u>
Deficiency in income tax		\$ 60,617.29
Penalty - Section 6653(a)		\$ 3,030.86

Taxable Year Ended December 31, 1963Adjustments to Taxable Income

Taxable income disclosed in the return		\$16,595.58
Additional income and unallowable deductions:		
(a) Cost of labor	\$19,629.58	
(b) Truck expenses	<u>49,972.11</u>	
(c) Rent expense	<u>275.00</u>	
(d) Christmas expenses	<u>111.25</u>	
(e) Insurance expense	<u>1,173.22</u>	
(f) Itemized deductions	<u>6,852.67</u>	<u>77,813.23</u>
Total		\$91,400.81
Non-taxable income and additional deductions:		
(g) Standard deduction		<u>1,000.00</u>
Taxable income as adjusted		\$93,400.81

-1-

Explanation of Adjustments

- (a) through (e) inclusive - These amounts of the business deductions claimed in Schedule "C" of Form 1040 are disallowed for lack of substantiation and/or because you have not established that they are allowable under any section of the Internal Revenue Code of 1954.
- (f) and (g) Since you have failed to substantiate the itemized deductions claimed in your return, they are disallowed. In lieu, thereof, the standard deduction is allowed.

Computation of the Tax

Taxable income as adjusted		<u>\$53,403.81</u>
Income tax liability	\$48,894.34	\$48,894.49
Less: Investment credit	<u>12.85</u>	<u>4,109.65</u>
Liability disclosed in the return		\$44,771.84
Deficiency in income tax		\$ 2,238.59
Penalty - Section 6653(a)		

LETTER FROM LOUIS DeSTEFANO TO DISTRICT DIRECTOR,
INTERNAL REVENUE SERVICE DATED SEPTEMBER 21, 1966

September 21, 1966

Mr. Charles A. Church, District Director
U.S. Treasury Department
Internal Revenue Service
35 Tillary Street
Brooklyn, N.Y. 11201

Re: Salvatore Cirami and Margaret Cirami
61-44 Eliot Avenue
Maspeth, New York

<u>Taxable year ended</u>	<u>Deficiency</u>
Dec. 31, 1961	
Tax	\$47,698.21
Penalty	14,309.46
Dec. 31, 1962	
Tax	60,617.29
Penalty	3,030.86
Dec. 31, 1963	
Tax	44,771.84
Penalty	2,238.59

Dear Mr. Church:

Please be advised that I have been requested by the captioned taxpayers to advise you that we do not accept the determination as rendered by your office pertaining to the captioned matter.

I desire an informal conference and/or a re-audit.

Very truly yours,

LD:G
- cc - Mr. Salvatore Cirami

Louis N. DeStefano

Laquies

LETTER FROM THE DISTRICT DIRECTOR TO LOUIS DeSTEFANO
DATED SEPTEMBER 28, 1966



U. S. TREASURY DEPARTMENT
INTERNAL REVENUE SERVICE
DISTRICT DIRECTOR
35 TILLARY STREET
BROOKLYN, NEW YORK 11201

SEP 28 1966

IN REPLY REFER TO

3 R22
AU:R:90D

Mr. Louis N. DeStefano
Ba-Nor Brokerage, Inc.
50 Court Street
Brooklyn, N. Y. 11201

Your Communication Dated:
September 21, 1966

In re: Salvatore and
Margaret Cirami

Dear Mr. DeStefano:

Your communication of above date is acknowledged and will be given proper consideration by our office.

You will be advised as to the action taken at a later date.

Very truly yours,
District Director

COMPLAINT

(pp. A49-A56)

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

-----x

UNITED STATES OF AMERICA, :

Plaintiff :

v. :

CIVIL ACTION NO.

SALVATORE CIRAMI, MARGARET :

CIRAMI, JAMES CIRAMI and :

MASPETH FEDERAL SAVINGS AND :

LOAN ASSOCIATION, :

Defendants :

73C 274

, C O M P L A I N T

-----x

COUNT I

Now comes the United States of America, by its attorney,
Robert Morse, United States Attorney for the Eastern District
of New York, and complains and alleges as follows:

I

This is a civil action brought by the United States of
America to reduce federal income tax assessments against the
defendants, Salvatore Cirami and Margaret Cirami, to judgment,
to set aside a conveyance of certain real estate as being in
fraud of creditors, and to foreclose the federal tax liens
against that real estate, and to obtain a personal judgment
against James Cirami for the proceeds received in consideration
for a mortgage he executed using said property as security.

II

This action is commenced pursuant to Section 7401 of the
Internal Revenue Code of 1954, at the direction of the Attorney
General of the United States, with the authorization and sanction
and at the request of the Chief Counsel of the Internal Revenue
Service, a delegate of the Secretary of the Treasury.

III

This Court has jurisdiction of this action under Title 28, United States Code, Sections 1340 and 1345, and under Sections 7402(a) and 7403 of the Internal Revenue Code of 1954.

IV

(a) The defendant, James Cirami, resides at 61-44 Eliot Avenue, Maspeth, New York, which is within the jurisdiction of this Court.

(b) The defendants, Salvatore Cirami and Margaret Cirami, reside at 420 San Genaro Street, Urb., Sagrado Corazon, Rio Piedras, Puerto Rico. Jurisdiction over these defendants may be obtained pursuant to Rule 4(e) of the Federal Rules of Civil Procedure, and Sections 302 and 308 of the Civil Practice Laws and Rules of the State of New York, because the tax liabilities which are the subject of this action arise out of business transacted within the State of New York, by the defendant, Salvatore Cirami.

(c) Maspeth Federal Savings and Loan Association is a Federally chartered savings and loan association licensed to do business within the Eastern District of New York, which maintains an office for the conduct of its business at 56-18 69th Street, Maspeth, New York.

V

The defendants, James Cirami and Maspeth Federal Savings and Loan Association, are made parties hereto pursuant to the provisions of Section 7403 of the Internal Revenue Code of 1954, as they may claim some interest in the property, which is the subject of Count II of this complaint.

. VI

On March 3, 1967, a delegate of the Secretary of the Treasury made assessments of income taxes, interest and penalties against the defendants, Salvatore Cirami and Margaret Cirami, in the amounts, as indicated below and gave notice and demand of said assessments on March 3, 1967.

<u>Period of Tax</u>	<u>Amount Assessed</u>	<u>Amount Outstanding</u>
1961	\$ 1,221.21(T) 11,924.55(P1) 2,384.91(P2) 13,957.93(I)	\$ 69,073.39
1962	60,617.29(T) 3,030.86(P2) 14,101.41(I)	 75,993.36
1963	44,771.84(T) 2,238.59(P2) 7,728.79(I)	 54,639.40
	TOTAL	<u>\$200,306.15</u>

"T" indicates amount of tax assessed.
 "P1" indicates amount of penalty assessed pursuant to
 26 U.S.C. §6651(a).
 "P2" indicates amount of penalty assessed pursuant to
 26 U.S.C. §6653(a).
 "I" indicates amount of interest assessed.

VII

On June 8, 1967, a notice of federal tax lien with respect to each of the tax liens described in Paragraph V above was filed in the Registrar's Office for Queens County, New York.

VIII

The taxpayer-defendants, Salvatore Cirami and Margaret Cirami, have refused to pay the assessments set out in paragraph VI above, and there remains due and owing on said assessments the sum of \$200,306.15, plus interest according to law.

WHEREFORE, the United States of America, plaintiff herein, prays as follows:

1. That this Court find, determine and adjudge that the defendants, Salvatore Cirami and Margaret Cirami, are liable for unpaid income taxes, interest and penalties assessed against them in the amount of \$200,306.15, plus interest according to law.

2. That the plaintiff, United States of America, does have and recover judgment against the defendants, Salvatore Cirami and Margaret Cirami, for unpaid income taxes, interest and penalties in the amount of \$200,306.15, plus interest according to law.

3. That the plaintiff, United States of America, be granted its costs and such other and further relief as this Court may find just and proper.

COUNT II

IX

The allegations contained in paragraphs I through VIII of Count I of this complaint are hereby reaffirmed, realleged, incorporated herein, and hereby made a part hereof.

X

Prior to April 14, 1964, the defendant, Salvatore Cirami, was the owner of the following described real property, with all improvements thereon, located in the borough and county of Queens, City and State of New York.

BEGINNING at a point on the southerly side of Eliot Avenue, distant 136 feet 4-3/4 inches easterly from the corner formed on the intersection of the southerly side of Eliot Avenue with the easterly side of Fresh Pond Road; running thence southerly at right angles to Eliot Avenue, 100 feet; thence easterly parallel with Eliot Avenue, 23 feet 2-1/2 inches; thence northerly again at right angles to Eliot Avenue and part of the distance through a party wall 100 feet to the southerly side of Eliot Avenue; thence westerly along said southerly side of Eliot Avenue, 23 feet 2-1/2 inches to point or place of BEGINNING.

XI.

On April 14, 1964, the defendant, Salvatore Ciriame, transferred and conveyed his interest in the real property described in paragraph X of Count II together with all improvements thereon to the defendant, James Ciriame, for no consideration.

XII

The conveyance described in paragraph XI of Count II above was made without fair consideration and at a time when the defendant, Salvatore Ciriame, was insolvent or rendered insolvent thereby, thereby making said conveyance subject to being set aside and disregarded pursuant to the provisions of Debtor and Creditor Laws, Section 273 and Section 278 of Volume 12 of McKinney's Consolidated Laws of New York.

XIII

In the alternative, the conveyance described in paragraph XI of Count II above was made with an intent on the part of the defendant, Salvatore Ciriame, to hinder, delay or defraud the United States of America, which was at that time a present creditor of the defendant, Salvatore Ciriame, thereby making said conveyance subject to being set aside and disregarded, pursuant to the provisions of Debtor and Creditor Laws, Section 276 and Section 278 of Volume 12 of McKinney's Consolidated Laws of New York.

XIV

On May 21, 1968, the defendant, James Ciriame, executed a mortgage in favor of the Maspeth Federal Savings and Loan Association in the amount of \$23,000.00, giving as security therefor the property conveyed by him as described in paragraph XI of Count II above.

XV

Pursuant to the giving of the mortgage as described in paragraph XIV of Count II above, the defendant, James Ciriame, did thereby receive \$15,071.30.

XVI

That Upon the setting aside of the conveyance described in paragraph XI of Count II above, as being in fraud of creditors as set forth in paragraphs XII and XIII of Count II of this complaint, said James Ciriame thereby in equity becomes liable in his own person for the \$15,071.30 he received pursuant to said mortgage.

WHEREFORE, the United States of America, plaintiff herein, prays as follows:

1. That this Court find, determine and adjudge that the conveyance described in paragraph XI of Count II is fraudulent as to the creditors of the taxpayer-defendant, Salvatore Ciriame, to wit, the United States of America, and that said conveyance be declared null and void, and that title to the real property described in paragraph XI of Count II above of this complaint be declared to be in Salvatore Ciriame.
2. That this Court find, determine and adjudge that the tax liens of the United States described in Paragraph VI of Count I above are valid and subsisting liens against the property described in paragraph X of Count II above and superior to the claim of the defendant, James Ciriame.
3. That this Court decree a sale of the real property described in paragraph X of Count II above of this complaint by a proper officer of the Court and a distribution of the proceeds of such sale be made to the United States of America in an amount sufficient to satisfy the liens of the United States of America on the property and liability of the

defendant, Salvatore Ciriame, for taxes, penalties and interest assessed against him, plus interest according to law.

4. That the plaintiff, United States of America, does have and recover judgment against the defendant, James Ciriame, in the amount of \$15,071.30, plus interest according to law.

5. That the plaintiff, United States of America, be granted its costs and such other and further relief as this Court may find just and proper.

ROBERT MORSE
United States Attorney

By:



Assistant United States Attorney

A-57
ANSWER (pp. A57-A58)

UNITED STATES DISTRICT COURT
for the
EASTERN DISTRICT OF NEW YORK

Civil Action File No.
Civil Action File No. 73C 274

UNITED STATES OF AMERICA,
Plaintiff,

v.

SALVATORE CIRAMI, MARGARET CIRAMI,
and JAMES CIRAMI,
Defendants.

X
X
X
X
X
X
X
X
X
X

ANSWER

Defendants SALVATORE CIRAMI, MARGARET CIRAMI and JAMES CIRAMI by their attorney, PETER R. NEWMAN as and for an answer, allege as follows:

FIRST DEFENSE

The complaint fails to state a complaint against Defendants upon which relief can be granted.

SECOND DEFENSE

Defendants admit the allegations in Paragraph I, X, XI, and XIV; allege that they are without knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraphs II, III, so much of Paragraph IV (b) as relates to jurisdiction over these Defendants, V, VI, VII and IX; denies the allegations contained in Paragraphs VII, XII, XIII and XVI of the complaint; denies each and every allegation not specifically admitted or denied.

COUNTERCLAIM

As and for a counterclaim, the Defendants SALVATORE CIRAMI and MARGARET CIRAMI allege that there is due and owing to them from the Plaintiff, the United States of America, the sum of \$10,000.00 in taxes illegally and erroneously collected.

WHEREFORE, SALVATORE CIRAMI, MARGARET CIRAMI and JAMES CIRAMI, pray as follows:

1. That this Court find, determine and adjudge that the Defendants SALVATORE CIRAMI and MARGARET CIRAMI are not liable for unpaid income taxes.
2. That the Defendants SALVATORE CIRAMI and MARGARET CIRAMI have judgment against the United States of America for income taxes erroneously and illegally collected.
3. That this Court find, determine and adjudge that the conveyance described in Paragraph XI of the Complaint is not fraudulent as to the creditors of the Taxpayer-Defendant SALVATORE CIRAMI.
4. That this Court find, determine and adjudge that the tax liens of the United States described in Paragraph VI of the Complaint are not valid liens against the property described in Paragraph X of the Complaint and therefore are not superior to the claim of the Defendant JAMES CIRAMI.
5. That Defendants SALVATORE CIRAMI, MARGARET CIRAMI and JAMES CIRAMI be granted its costs and such other and further relief as the Court may find just and proper.

Peter R. Newman
Attorney for Defendants
23 Gary Road
Syosset, New York 11791
516 921-9060

TO:
Robert A. Morse
United States Attorney
Eastern District of New York
225 Cadman Plaza East
Brooklyn, New York 11201

AFFIDAVIT OF SALVATORE CIRAMI DATED JUNE 6, 1973
 (pp. A59-A60)

UNITED STATES DISTRICT COURT FOR THE
 EASTERN DISTRICT OF NEW YORK

UNITED STATES OF AMERICA,	X	
Plaintiff,	X	Civil Action #73C274
	X	
vs.	X	AFFIDAVIT
	X	
SALVATORE CIRAMI, ET AL.,	X	
Defendant.	X	

SALVATORE CIRAMI, being duly sworn deposes and says:

THAT he is one of the defendants in the above entitled action. That he submits this Affidavit in opposition to the plaintiff's motion to dismiss the counterclaim interposed by the defendants.

It has been your deponent's contention that he has made proper protest and that the counterclaim is proper and meritorious. The trial of the action will substantiate and sustain my position. That he has a good and meritorious defense and will be successful at the trial of the action.

Your deponent, in 1966, 1967 and 1968, appeared at various offices of the Internal Revenue Service and made payments under protest. These payments were made in the form of money orders and some of the money orders were marked "payment made under protest." In addition thereto, the Government attached insurance policies which would obviously indicate that any payment made from these insurance policies was also made under protest.

WHERE, it is your deponent's contention that sufficient statutory notice was given either orally and/or in writing to put

the Government and Internal Revenue Service on notice that the entire action was being protested. These meetings and payments were made subsequent to a Government audit which, when analyzed, will prove the defendant's counterclaim and defenses to the within action.

Salvatore Cirami

SALVATORE CIRAMI

Sworn to before me this
6th day of June 1973.

Charles E. Bickel
 CHAS. E. BICKEL
 Notary Public, State of New York
 No. 24-7968550 Qual. in Kings County
 Commission Expires March 31, 1974

JDP:TAI:ig
F.#730218

PLAINTIFF'S NOTICE OF MOTION DATED DECEMBER 28, 1973
WITH SUPPORTING AFFIDAVIT AND MEMORANDUM OF LAW
UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK (pp. A61-A66)

A-61

-----X
United States of America,

Plaintiff,

-against-

NOTICE OF MOTION

Salvatore Cirami, Margaret Cirami,
James Cirami and Maspeth Federal
Savings and Loan Association,

Civil Action No.
73 C 274

Defendants.
-----X

S I R S :

PLEASE TAKE NOTICE that upon the annexed affidavit of William M. Wolf, Acting District Director, Internal Revenue Service, the annexed memorandum of law and upon all the pleadings and proceedings heretofore had herein, plaintiff, United States of America, will move this court before the Honorable Walter Bruchhausen, Courtroom No. 2, Federal Court House, 225 Cadman Plaza East, Brooklyn, New York, on February 1, 1974 at 10:00 o'clock in the forenoon of that day or as soon thereafter as counsel may be heard for an order pursuant to Rule 56, Fed. R. Civ. P. granting partial summary judgment in favor of plaintiff, United States of America.

Dated: Brooklyn, New York

December 28, 1973

EDWARD JOHN BOYD V
Acting United States Attorney
Eastern District of New York
Attorney for Plaintiff
225 Cadman Plaza East
Brooklyn, New York

By Thomas A. Ilmensee
Thomas A. Ilmensee
Assistant U.S. Attorney

William R. Morrow, Jr.
Trial Attorney, Tax Division
U.S. Department of Justice
(Of Counsel)

TO: Peter R. Newman
200 Garden City Plaza
Garden City, N.Y. 11530

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

-----x
UNITED STATES OF AMERICA,

Plaintiff

v.

SALVATORE CIRAMI, MARGARET CIRAMI,
JAMES CIRAMI and MASPETH FEDERAL
SAVINGS AND LOAN ASSOCIATION,

Defendants
-----x-

CIVIL ACTION NO. 73 C 274

AFFIDAVIT OF WILLIAM M. WOLF

STATE OF NEW YORK)
) SS
COUNTY OF KINGS)

I, WILLIAM M. WOLF, being first duly sworn, state:

1. That I am the duly acting District Director of Internal Revenue for the District of Brooklyn, New York.

2. That, acting in my official capacity, I have the official custody of of the files and records of the Internal Revenue Service relative to the following taxpayers: Salvatore Cirami and Margaret Cirami.

3. That I have caused an examination of the aforementioned records to be made and that the said records reflect the following:

(a) That on the dates listed below, assessments were made against Salvatore Cirami and Margaret Cirami, jointly and severally, for unpaid income taxes, penalties and interest, for the periods listed below, and in the amounts set forth below. Notices of these assessments and demands for payment thereof were duly made upon Salvatore Cirami and Margaret Cirami on the dates listed below:

Type of Tax and Taxable Periods Ended	Date of Assessments	Amounts of Assessments	Dates of Notice & Demand
Income 12/31/61	3/3/67	\$47,698.21 (T) 11,924.55 (P1) 2,384.91 (P2) 13,957.93 (I)	3/3/67
Income 12/31/62	3/3/67	60,617.29 (T) 3,030.86 (P2) 14,101.41 (I)	3/3/67
Income 12/31/63	3/3/67	44,771.84 (T) 2,238.59 (P2) 7,728.97 (I)	3/3/67

T = Assessment Tax

P1 = Delinquency Penalty Pursuant to Section 6651, Internal Revenue Code of 1954.

P2 = Negligence Tax Penalty pursuant to Section 6653(a) Internal Revenue Code of 1954.

I = Assessed Interest

(b) That there is presently due to the United States from Salvatore Cirami and Margaret Cirami, jointly and severally, by virtue of the assessments described above, the sum of \$200,306.15, plus accrued interest of \$68,020.55, to and including December 20, 1973, plus lien fees \$6.00, for a total of \$268,332.70. Interest will continue to accrue on this liability at a daily rate of \$27.03 after December 20, 1973.

William M. Wolf
William M. Wolf
Acting District Director
Internal Revenue Service

Subscribed and sworn to before me
this 28th day of December,
1973.

Edward S. Finn
Notary Public

My commissions expires:

EDWARD S. FINN
NOTARY PUBLIC, State of New York
No. 41-6,99175
Qualified in Queens County
Commission Expires March 30, 1974

AFFIDAVIT OF MAILING

STATE OF NEW YORK
COUNTY OF KINGS
EASTERN DISTRICT OF NEW YORK, ss:

_____, being duly sworn, says that on the _____
day of _____, I deposited in Mail Chute Drop for mailing in the
U.S. Courthouse, Cadman Plaza East, Borough of Brooklyn, County of Kings, City and
State of New York, a _____
of which the annexed is a true copy, contained in a securely enclosed postpaid wrapper
directed to the person hereinafter named, at the place and address stated below:

Sworn to before me this
day of _____

AFFIDAVIT OF PERSONAL SERVICES

STATE OF NEW YORK
COUNTY OF KINGS
EASTERN DISTRICT OF NEW YORK, ss:

_____, being duly sworn, says that he is employed in
the office of the United States Attorney for the Eastern District of New York. That on
the _____ day of _____, he served a true copy of the annexed
_____ on the office of _____
attorney for _____ herein, located at _____
_____, Borough of _____, City of New York, by
leaving a true copy of same with his clerk or other person in charge of said office.

Sworn to before me this
day of _____

SIR:

PLEASE TAKE NOTICE that the within will be presented for settlement and signature to the Clerk of the United States District Court in his office at the U. S. Courthouse, 225 Cadman Plaza East, Brooklyn, New York, on the ____ day of _____, 19____, at 10:30 o'clock in the forenoon.

Dated: Brooklyn, New York,

_____, 19____

United States Attorney,
Attorney for _____

To: _____

Attorney for _____

SIR:

PLEASE TAKE NOTICE that the within is a true copy of _____ duly entered herein on the ____ day of _____

_____, in the office of the Clerk of
U. S. District Court for the Eastern District of New York,

Dated: Brooklyn, New York,

_____, 19____

United States Attorney,
Attorney for _____

To: _____

Attorney for _____

CIVIL _____ Action

No. 73 C 274

UNITED STATES DISTRICT COURT
Eastern District of New York

United States of America,

Plaintiff,

—Against—

Salvatore Cirami, Margaret Cirami,
James Cirami and Maspeth Federal
Savings and Loan Association,

Defendants.

NOTICE OF MOTION & AFFIDAVIT
AND MEMORANDUM OF LAW

EDWARD JOHN BOYD V

Acting United States Attorney,
Attorney for Plaintiff
Office and P. O. Address,
U. S. Courthouse
225 Cadman Plaza East
Brooklyn, New York 11201

Due service of a copy of the within
is hereby admitted.

Dated: _____, 19____

Attorney for _____

FPI-LC-5M-8-73-7355

Thomas A. Illmensee
Assistant U.S. Attorney
(212) 596-3566

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

-----X
United States of America,

Plaintiff,

-against-

Salvatore Cirami, Margaret Cirami,
James Cirami and Maspeth Federal
Savings and Loan Association,

Defendants.
-----X

FILED
IN CLERK'S OFFICE
U. S. DISTRICT COURT E.D. NY.

★ DEC 28 1973 ★

TIME A.M. _____
P.M. _____

Civil Action
No. 73 C 274

**MEMORANDUM OF POINTS AND AUTHORITIES
IN SUPPORT OF THE UNITED STATES'
MOTION FOR PARTIAL SUMMARY JUDGMENT**

Thomas A. Illmensee
Assistant U.S. Attorney
(Of Counsel)

EDWARD JOHN BOYD V
Acting United States Attorney
Eastern District of New York
225 Cadman Plaza East
Brooklyn, New York 11201

infra.

10

GOVERNMENT'S MEMORANDUM OF POINTS AND AUTHORITIES IN SUPPORT
OF THE UNITED STATES' MOTION FOR PARTIAL SUMMARY JUDGMENT

(pp. A67-A71)

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

-----X

UNITED STATES OF AMERICA,	:	
	:	
Plaintiff	:	
	:	
v.	:	CIVIL ACTION NO. 73 C 274
	:	
SALVATORE CIRAMI, MARGARET CIRAMI,	:	<u>MEMORANDUM OF POINTS AND</u>
JAMES CIRAMI and MASPETH FEDERAL	:	<u>AUTHORITIES IN SUPPORT OF THE</u>
SAVINGS AND LOAN ASSOCIATION,	:	<u>UNITED STATES' MOTION FOR</u>
	:	<u>PARTIAL SUMMARY JUDGMENT</u>
Defendants	:	

-----X

The United States of America has filed a complaint in this action seeking to reduce to judgment the outstanding tax liabilities of Salvatore Cirami and Margaret Cirami, jointly and severally. The complaint filed by the United States also seeks to set aside a certain conveyance of property to foreclose federal tax liens upon that property, and to obtain a personal judgment against defendant James Cirami. The motion for partial summary judgment now filed by the United States relates solely to reducing to judgment the tax assessments made against the taxpayers Salvatore Cirami and Margaret Cirami, jointly and severally.

QUESTIONS PRESENTED

1. Whether there exists any genuine issue as to any material fact concerning the validity and amounts of the tax assessments made against Salvatore Cirami and Margaret Cirami, jointly and severally.

2. Whether the United States is entitled to a judgment in regard to these tax assessments as a matter of law.

STATUTE INVOLVED

The statute involved herein is contained in the Appendix,
infra.

- 2 -

STATEMENT OF FACTS

The United States of America has filed a complaint seeking to reduce to judgment certain outstanding tax liabilities of Salvatore Cirami and Margaret Cirami, jointly and severally. These assessments are specifically described in Paragraph VI and the details of the filing of each of such liens is described in Paragraph VII of the complaint of the United States. The assessments are also fully described in the affidavit of William M. Wolf, Acting District Director of Internal Revenue, which is attached as Exhibit A to the United States' motion for partial summary judgment.

In response to the complaint filed by the United States Salvatore Cirami and Margaret Cirami, filed an answer on March 21, 1973. The answer filed by these defendants alleges that they are without knowledge or information sufficient to form a belief as to the truth of the allegations contained in Paragraphs VI and VII, denies the allegations contained in Paragraph VII of Count One of the Government's complaint wherein it is alleged that assessments were made against these defendants and each such tax lien was duly filed (Answer, Second Defense), and further, answers that the complaint fails to state a complaint against defendants upon which relief can be granted. (Answer, First Defense.)

The United States has now filed a motion for partial summary judgment regarding the assessments described in the attached affidavit of William M. Wolf, Acting District Director of Internal Revenue Service, upon the grounds that the defendants Salvatore Cirami and Margaret Cirami, jointly and severally, have failed to overcome the presumptive correctness of the assessments made against them and that the United States is thus entitled to judgment as a matter of law.

- 3 -

ARGUMENT

THE DEFENDANTS SALVATORE CIRAMI AND MARGARET CIRAMI HAVE FAILED TO OVERCOME THE PRESUMPTIVE CORRECTNESS OF THE ASSESSMENTS MADE AGAINST THEM

The defendants' answer constitutes no more than a general denial wholly insufficient at law to overcome any presumption.

Hence we have often held that mere formal denials or general allegations which do not show the facts in detail and with precision are insignificant to prevent the award of summary judgment. (Citations omitted.)

Engl v. Aetna Life Insurance Co., 139 F. 2d 469, 473 (C.A. 2, 1943).

See also Liberty Leasing Co. v. Hillsum Sales Corp., 380 F. 2d 1013,

1015 (C.A. 5, 1967). Even if there are issues of fact, a summary

judgment will be entered unless there exist "genuine" issues of

fact, which are issues "which can be supported by substantial

evidence. Riss & Co. v. Association of American Railroads, 190

F. Supp. 10, 17 (D. D.C., 1960). The whole purpose of summary

judgment would be defeated if a case could be forced to trial by

a mere assertion that a material issue is present without any

showing of proof." Taylor v. Rederi A/S Volø, 249 F. Supp. 326,

328 (ED Pa., 1966). Thus:

As stated in Rule 56(a), his [the party against whom summary judgment is sought] response by affidavits or otherwise must set forth specific facts showing that there is a genuine issue for trial.

Chapman v. Rudd Paint & Varnish Co., 409 F. 2d 635, 643 (C.A. 9, 1969).

One against whom a motion for summary judgment is filed is therefore under a duty to show that he can produce evidence at the trial, and is not entitled to a denial of that motion upon the unsubstantiated hope that he can produce such evidence at the trial. (Citation omitted.)

Chapman, supra, at p. 643. In the instant case, Salvatore Cirami and Margaret Cirami cannot make the required showing.

- 4 -

It is well-settled principle of law that federal tax assessments made by a delegate of the Secretary of the Treasury are presumptively correct and establish a prima facie case of liability. United States v. Rindskopf, 105 U.S. 418 (1881); United States v. Molitor, 337 F. 2d 917 (C.A. 9, 1964); United States v. Strebler, 313 F. 2d 402 (C.A. 8, 1963); United States v. Lease, 346 F. 2d 696 (C.A. 2, 1965). Thus, the burden of proving that such assessments are erroneous rests upon the taxpayers. United States v. Lease, supra; Paschal v. Blieden, 127 F. 2d 398 (C.A. 8, 1942).

The pleadings and affidavit submitted by the United States establish that assessments were duly made and there exists a prima facie case of liability and the Government is entitled to a judgment as a matter of law.

CONCLUSION

For the reasons stated above, it is respectfully submitted that the motion of the United States for partial summary judgment should be granted.

EDWARD JOHN BOYD V.
~~ROBERT XXXX BOYD~~
 Acting United States Attorney

By: Thomas A. Illmensee
 THOMAS A. ILLMENSEE
 Assistant United States Attorney

Of Counsel:

WILLIAM R. MORROW, JR.
 Trial Attorney, Tax Division
 U. S. Department of Justice
 Washington, D. C. 20530

- 5 -

A P P E N D I X

Federal Rules of Civil Procedure (28 U.S.C.):

RULE 56. SUMMARY JUDGMENT

(a) For Claimant. A party seeking to recover upon a claim, counterclaim, or cross-claim or to obtain a declaratory judgment may, at any time after the expiration of 20 days from the commencement of the action or after service of a motion for summary judgment by the adverse party, move with or without supporting affidavits for a summary judgment in his favor upon all or any part thereof.

* * *

(c) Motion and Proceedings Thereon. The motion shall be served at least 10 days before the time fixed for the hearing. The adverse party prior to the day of hearing may serve opposing affidavits. The judgment sought shall be rendered forthwith if the pleadings, depositions, answers to interrogatories, and admissions on file, together with the affidavits, if any, show that there is no genuine issue as to any material fact and that the moving party is entitled to a judgment as a matter of law. A summary judgment, interlocutory in character, may be rendered on the issue of liability alone although there is a genuine issue as to the amount of damages.

MEMORANDUM AND ORDER OF JUDGE WALTER BRUCHHAUSEN DATED
MARCH 18, 1974 (pp. A72-A73)

U.S. D.C.
MAR 18 1974

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

----- x
UNITED STATES OF AMERICA,

Plaintiff,

-against-

SALVATORE CIRAMI, MARGARET CIRAMI,
JAMES CIRAMI and MASPETH FEDERAL
SAVINGS and LOAN ASSOCIATION,

Defendants.

FILED

: No. 73 C 274

: March 18, 1974

:

:

----- x
MEMORANDUM and ORDER

BRUCHHAUSEN, D. J.

The plaintiff moves for an order, pursuant to
Rule 56 of the Federal Rules of Civil Procedure, for
partial summary in its favor.

There being no opposition to said motion, it is
in all respects granted.

Settle order on five (5) days' notice.

It is so ordered.

11

Copies hereof are being forwarded to the
attorneys for the respective parties.

Walter B. Beckman
Senior U. S. D. J.

JUDGMENT

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

(pp. A74-A75)

-----X	:	
UNITED STATES OF AMERICA,	:	
	:	
Plaintiff	:	
	:	
v.	:	CIVIL ACTION NO. 73 C 274
	:	
SALVATORE CIRAMI, MARGARET	:	
CIRAMI, JAMES CIRAMI and	:	<u>J U D G M E N T</u>
MASPEETH FEDERAL SAVINGS AND	:	
LOAN ASSOCIATION,	:	
	:	
Defendants	:	
	:	
-----X		

UPON, the motion of plaintiff, United States of America, by its attorney DAVID G. TRAGER, United States Attorney, Eastern District of New York, the affidavit of William M. Wolf, Acting District Director of Internal Revenue, District of Brooklyn, New York, all pleadings and papers heretofore filed herein, and more than one claim for relief having been presented in the action, and multiple parties involved, and the memorandum and order of this Court dated March 18, 1974, and the said motion having duly come on to be heard on the 1st day of February, 1974, and there being no opposition to the motion and it being expressly determined that there is no just reason for delay it is

ORDERED, ADJUDGED AND DECREED that plaintiff's motion for partial summary judgment against defendants Salvatore and Margaret Cirami for unpaid income taxes, penalties and interest for the taxable periods ending December 31, 1961, December 31, 1962, and December 31, 1963 is hereby granted in all respects, and it is further

ORDERED, ADJUDGED AND DECREED that plaintiff have final judgment against defendants Salvatore and Margaret Cirami for their tax liability in the amount of \$270,792.43, and that defendants Salvatore and Margaret Cirami's liability be joint and several, and that interest duly accrue on this judgment after its entry, and it is further

- 2 -

ORDERED, ADJUDGED AND DECREED that said final judgment against defendants Salvatore and Margaret Cirami be entered forthwith.

Dated: Brooklyn, New York

June 12, 1974

Walter Bruckhausen
UNITED STATES DISTRICT JUDGE

ENTRY OF APPEARANCE

IN CLERK'S OFFICE
U. S. DISTRICT COURT E.D. N.Y.
★
UNITED STATES DISTRICT COURT
DEC 23 1974
Eastern District of New York

TIME A.M.
P.M.

-----x

UNITED STATES OF AMERICA,

:
Plaintiff,

Docket No.

-against-

73- Civ. 274

SALVATORE CIRAMI
MARGARET CIRAMI
JAMES CIRAMI, and
MASPETH FEDERAL
SAVINGS and LOAN
ASSOCIATION,

:
Defendants.

-----x

ENTRY OF APPEARANCE

The undersigned hereby enter their appearance
for James Cirami and Margaret Cirami, in the above-
entitled cause.

Dated: December 20, 1974

WAGMAN, CANNON & MUSOFF

By

David Kipper

David Kipper
Attorney for Defendants
136 East 57th St.
New York, N.Y. 10022
tel. (212) 758-3594

(18)

DEFENDANT'S NOTICE OF MOTION DATED APRIL 25, 1975
(pp. A77-A78)

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

- - - - - x

UNITED STATES OF AMERICA, :

Plaintiff, :

v. :

SALVATORE CIRAMI, MARGARET CIRAMI, :
JAMES CIRAMI and MASPETH FEDERAL :
SAVINGS AND LOAN ASSOCIATION, :

Defendants.

- - - - - x

NOTICE OF MOTION

Civil Action No.

73 C 274

SIRS:

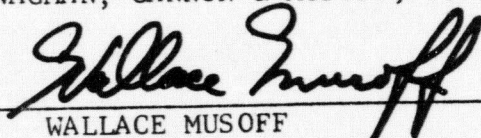
PLEASE TAKE NOTICE that upon the annexed affidavit of Salvatore Cirami, the annexed memorandum of law and upon all the pleadings and proceedings heretofore had herein, defendants, Salvatore and Margaret Cirami will jointly move this Court before the Honorable Walter Bruchhausen, Courtroom No. 2, Federal Court House, 225 Cadman Plaza East, Brooklyn, New York, on May 27, 1975 at 10:00 o'clock in the forenoon of that day, or as soon thereafter as counsel may be heard, for an order, pursuant to Rule 60(b)(6), Fed. R. Civ. P., vacating the summary judgment entered in favor of the plaintiff against Salvatore Cirami and Margaret Cirami on June 12, 1975 in the amount of \$270,792.43, plus statutory interest.

DATED: New York, New York

April 25, 1975

WAGMAN, CANNON & MUSOFF, P.C.

by

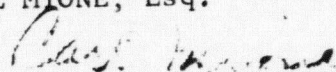
A handwritten signature in dark ink, appearing to read "Wallace Musoff", written over a horizontal line.

WALLACE MUSOFF

Attorney for Defendant

Margaret Cirami

CARL MIONE, Esq.

A handwritten signature in dark ink, appearing to read "Carl Mione", written over a horizontal line.

Attorney for Defendant

Salvatore Cirami

AFFIDAVIT OF SALVATORE CIRAMI DATED APRIL 28, 1975
(pp. A79-A81)

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

- - - - -x

UNITED STATES OF AMERICA, :

Plaintiff, :

v. :

AFFIDAVIT

SALVATORE CIRAMI, MARGARET CIRAMI, :
JAMES CIRAMI and MASPETH FEDERAL :
SAVINGS AND LOAN ASSOCIATION, :

CIVIL ACTION NO. 73 C 274

Defendants.

- - - - -x

STATE OF NEW YORK)
: ss:
COUNTY OF NEW YORK)

SALVATORE CIRAMI, being duly sworn, deposes and
says:

1. He is a defendant in the captioned proceeding.
2. During the calendar years 1961, 1962 and 1963,
he operated a business known as Air Freight Haulage Co., which
was engaged in the business of supplying truck transportation
services for merchandise of its customers.
3. During each of the years 1961, 1962 and 1963,
the receipts and expenditures of Air Freight Haulage Co. were
reflected in the regular course of business. The business
books and records were maintained by an accountant.

4. During each of the years 1961, 1962 and 1963, the receipts and deductible business expenses of Air Freight Haulage Co., were reflected in Schedule C of my joint income tax return filed with the Internal Revenue Service, which returns were prepared by my accountant.

5. On September 14, 1966, I was forwarded a letter from the District Director of Internal Revenue, Brooklyn District. I have recently been advised that this document is a statutory notice of deficiency (See Exhibit B attached to the Memorandum of Law attached herewith).

6. I gave such document to my then accountant Louis DeStefano who advised me that he was taking appropriate action in response thereto.

7. To the best of my knowledge and recollection the next event which occurred was the appearance of a Revenue Officer who advised that assessments had been made against my wife and myself and that he was required to collect such assessments.

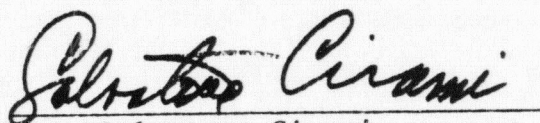
8. During the years subsequent to the assessments and before the government served a summons on me in this action, I made some payments on the assessments, each payment being made under protest.

9. When the summons was served upon me in the instant action, I went to Mr. DeStefano who referred me to Peter Newman, Esq.

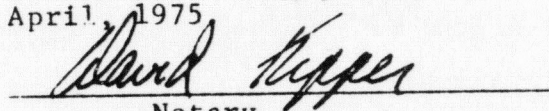
10. Mr. Newman agreed to represent my former wife, Margaret, my son, James and myself in this proceeding.

11. Mr. Newman and I met on some three occasions including the initial conference at which time we only discussed personal background information.

12. It was not until my present attorney, Mr. Mione took possession of Mr. Newman's files in this matter did I know that the United States had taken summary judgment against my former wife Margaret and myself.


Salvatore Cirami

Subscribed and Sworn to
before me, this 28 day of
April, 1975


Notary

DAVID L. KIPPER
Notary Public, State of New York
No. 31-4519810 New York County
Term Expires March 30, 1976

UNITED STATES NOTICE OF MOTION DATED MAY 16, 1975
(pp. A82-A84)

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

-----X

UNITED STATES OF AMERICA,	:	
	:	
Plaintiff	:	
	:	
v.	:	CIVIL ACTION NO. 73-C-274
	:	
SALVATORE CIRAMI, et al.,	:	UNITED STATES NOTICE
	:	<u>OF MOTION</u>
Defendants	:	

-----X

SIRS:

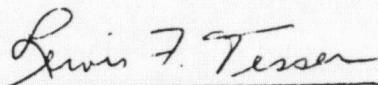
PLEASE TAKE NOTICE that upon the annexed Memorandum of Points and Authorities in Support of Application and Motion for Preliminary Injunction, the annexed Memorandum in Support of Motion for Leave to File a Second Amended Complaint, the annexed Memorandum in Support of Motion to Compel Accounting, the annexed Memorandum in Support of Motion for Partial Summary Judgment, and upon all the pleadings and proceedings heretofore had herein, plaintiff, United States of America, will move this Court before the Honorable Walter Bruchhausen, United States District Judge, at the United States Courthouse, 225 Cadman Plaza East, Brooklyn, New York, on May 27, 1975, at 10:00 o'clock in the forenoon of that day or as soon thereafter as counsel may be heard for an Order granting the United States of America preliminary injunctions against James Cirami, Nancy Cirami, Diggs Management Corp., Jacob Zeligfeld and Angela Cirami pursuant to Rule 65(b), Federal Rules of Civil Procedure,

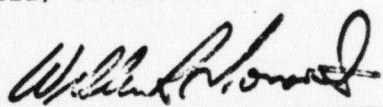
for an Order granting the United States of America leave to file a Second Amended Complaint pursuant to Rules 15(a)(c) and 20, Federal Rules of Civil Procedure, for an Order compelling the defendant James Cirami to account forthwith or be precluded from introducing evidence in the action pursuant to Rules 26, 34 and 37, Federal Rules of Civil Procedure, for an Order granting the United States of America partial summary judgment pursuant to Rules 54(b) and 56, Federal Rules of Civil Procedure, and for leave to take oral depositions of and to allow production of documents by, Nancy Cirami on May 28, 1975 and Angela Cirami on May 29, 1975, pursuant to Rules 30(a) and 34(b), Federal Rules of Civil Procedure.

Dated: Brooklyn, New York
May 16, 1975

DAVID G. TRAGER
United States Attorney

By:


LEWIS TESSER
Assistant United States Attorney
United States Courthouse
225 Cadman Plaza East
Brooklyn, New York 11201
(212) 596-5521


WILLIAM R. MORROW, JR.
Trial Attorney, Tax Division
U.S. Department of Justice
Washington, D.C. 20530
(202) 739-3335

TO: Wagman, Cannon & Musoff, P.C.
Attorneys of Record for Margaret Cirami and James Cirami
136 East 57th Street
New York, New York 10022

Carl N. Mione, Esquire
Attorneys of Record for Salvatore Cirami
Suite 1107
32 Court Street
Brooklyn, New York 11201

Friedland & Masone, Esquires
Attorneys of Record for Maspeth Federal Savings and
Loan Association
69-34 Grand Avenue
Maspeth, New York 11378

Nancy Cirami
259-34 149th Road
Rosedale, New York 11422

Diggs Management Corp.
c/o Segal Werner & Segal, Esquires
1535 Flarbus Avenue
Brooklyn, New York 11210

Jacob Zeligfeld
139 Hewes Street
Brooklyn, New York 11211

Prudential Insurance Company of
America
16 Court Street
Brooklyn, New York 11201

Angela Cirami
137-15 257th Street
Rosedale, New York 11422

AFFIDAVIT OF WILLIAM R. MORROW, JR. DATED MAY 20,
1975

FILED

IN CLERK'S OFFICE

U.S. DISTRICT COURT, D.C.

MAY 22 1975

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

10:11 A.M.

M

-----x
UNITED STATES OF AMERICA, :
 :
Plaintiff :
 :
v. :
 :
SALVATORE CIRAMI, et al., :
 :
Defendants :
-----x

Civil Action No. 73 C 274

AFFIDAVIT

DISTRICT OF COLUMBIA)
CITY OF WASHINGTON) ss.:

WILLIAM R. MORROW, JR., being duly sworn, deposes and says:

I am a Trial Attorney, Tax Division, United States Department of Justice,
Washington, D.C., having primary responsibility in this action;

I am the plaintiff's Trial Attorney who was privy to the conversations
recited in the United States Memorandum in Opposition to the Motion to
Vacate Judgment entered June 12, 1974, for which this affidavit is
submitted.

William R. Morrow, Jr.
WILLIAM R. MORROW, JR.

Sworn to before me this _____
day of May, 1975.

Robert H. [Signature]
Notary Public
Notary Public, D.C.

(Notarial Seal)

44

A-86
AFFIDAVIT OF BERNARD ZIPERN DATED JUNE 26, 1975
(pp. A86-A87)

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

----- x
UNITED STATES OF AMERICA, :

Plaintiff, :

v. :

SALVATORE CIRAMI, MARGARET CIRAMI,
JAMES CIRAMI and MASPETH FEDERAL
SAVINGS AND LOAN ASSOCIATION,

Defendants. y

AFFIDAVIT

CIVIL ACTION NO. 73 C 274

STATE OF NEW YORK)
: ss.:
COUNTY OF NEW YORK)

BERNARD ZIPERN, being duly sworn, deposes and says
the following:

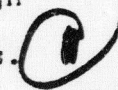
1. I am a registered public accountant in the State
of New York, with offices at 382 South Oyster Bay Road, Hicksville,
New York.

2. I have been engaged in the practice of accountancy
for some 25 years.

3. During the years 1962 and 1963, I was a partner in
the firm of Zipern & Cooper, 382 South Oyster Bay Road, Hicksville,
New York.

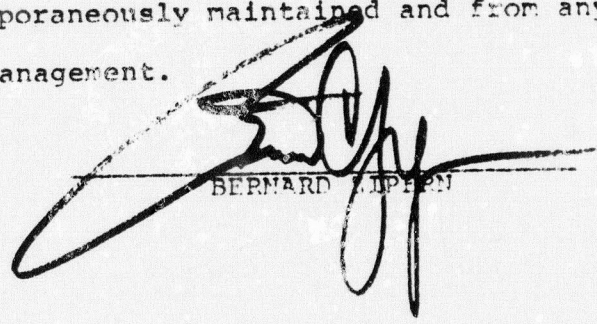
4. During the years 1962 and 1963, Zipern & Cooper was
engaged by Salvatore Cirami d/b/a Air Freight Haulage Co. to audit

the books and records of the company and prepare and file tax reports.

5. As part of the services rendered to Air Freight Haulage Co., Zipern & Cooper maintained the check disbursements journal, Exhibit A, for the period from January 1963 through November 12, 1963, and performed monthly bank reconciliations. 

6. The fact that the payees are not listed in the check disbursements journal is not uncommon in the practice of accountancy as the check stubs and cancelled checks were available. The omission of the payee is a time-savings device. In performing the bank reconciliation, the check number and amount is compared with the check stub book and/or cancelled check. An inverted checkmark was used to corroborate the payee, check number and expenditure.

7. Zipern & Cooper prepared the Forms 1040 of Salvatore and Margaret Ciriame for the years 1961 and 1962. Schedule C of each return reflecting Income and Business Deductions of Air Freight Haulage Co. was prepared from the books and records of Air Freight Haulage Co. contemporaneously maintained and from any additional data secured from management.



BERNARD ZIPERN

Sworn to before me this
day of , 1975.

Notary Public

DAVID L. KIPPER
Notary Public, State of New York
No. 31 4619810 New York County
Term Expires March 30, 1976

AFFIDAVIT OF SEYMOUR UNTERBERG DATED JUNE 27, 1975
(pp. A88-A90)

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

----- x
UNITED STATES OF AMERICA, :

Plaintiff, :

v. :

SALVATORE CIRAMI, MARGARET CIRAMI,
JAMES CIRAMI and MASPETH FEDERAL
SAVINGS AND LOAN ASSOCIATION,

Defendants. :

----- x

AFFIDAVIT

CIVIL ACTION NO. 73 C 274

STATE OF NEW YORK)
 : ss.:
COUNTY OF NEW YORK)

SEYMOUR UNTERBERG, being duly sworn, deposes and
says the following:

1. I am a registered public accountant in the State of New York, with offices at 114 Old Country Road, Mineola, New York.
2. I have been engaged in the practice of accountancy since 1949.
3. During the years 1961 and 1962, I was engaged by Salvatore Cirami d/b/a Air Freight Haulage Co. to audit the books and records of the company and prepare and file tax reports. For 1961 and 1962 I can personally state that all of the books and records indicated herein were kept in the ordinary course of business.

4. Exhibit A is the check disbursements journal of Air Freight Haulage from which I verified disbursements in 1961 and 1962.

5. Exhibits B-1, B-2, B-3, B-4 and B-5 are the check stubs of Air Freight Haulage Co. for January 1959 - June 16, 1962 which I used to verify check disbursements as set forth in the check disbursements journal, Exhibit A.

6. There was in existence one or more check stub books for the period from June 17, 1962 through December 31, 1962 which I used to verify check disbursements as set forth in the check disbursements journal Exhibit A.

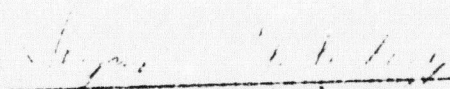
7. In accordance with my employment by Air Freight Haulage Co., I, or employees under my direction and control, would, on a monthly basis from January 1961 through December 31, 1962, verify each payee and amount set forth in Exhibit A through the cancelled checks, check stubs and bills.

8. The red "C" next to the check number in the Check Disbursements Journal denotes that I, or my employee, verified that the particular check cleared the bank in the month during which it was drawn.

9. Where a check did not clear the bank in the month it was drawn, I would show the month it cleared by a circle around a number. The numbers "1" through "12" signified the months

January through December, respectively. As an example, check number 13529 (page 228) drawn March 30, 1962 and payable to Pioneer Terminal in the amount of \$3.59 cleared the bank in April 1962 and is so denoted by the number "4" circled in red ink.

10. At the request of Wagman, Cannon & Musoff, P.C., as counsel for Margaret Cirami and James Cirami, I attempted to verify per the cash disbursements journal, check stubs, payroll books and other available records, the business expenses claimed on the tax returns of Salvatore and Margaret Cirami for the years 1961, 1962 and 1963. My findings are set forth in Exhibit A-1 appended hereto and indicate that, with minor exception, all of the business deductions claimed by Salvatore and Margaret Cirami on their joint 1961, 1962 and 1963 income tax returns are fully substantiated by the available books and records of Air Freight Haulage Co.


Seymour Unterberg

Subscribed and sworn to before
me this day of June 1975.

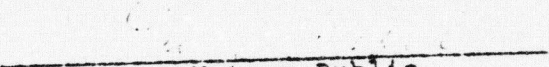

Notary Public

EXHIBIT A-1

1961

SAL CIRAMI
IRS EXAM 1961 BY 63
INVESTIGATION OF "COMMISSIONS"
1961

COMMISSIONS

DATE	CH	PAY TO	AMOUNT	SOURCES			EXHIBITS
				CD	TRAIL	STUSS	
7/1/61	11184	CURT CROWELL	100-	✓	✓	✓	A, B-2
7/18/61	11188	" "	60-	✓	✓	✓	A, B-2
7/31/61	11148	" "	60-	✓	✓	✓	A, B-2
8/7/61	11177	" "	125-	✓	✓	✓	A, B-2
8/14/61	11140	" "	125-	✓	✓	✓	A, B-2
8/22/61	11171	" "	150-	✓	✓	✓	A, B-2
8/28/61	11333	" "	125-	✓	✓	✓	A, B-2
9/1/61	11368	" "	125-	✓	✓	✓	A, B-2
9/5/61	11304	D. SURKO	45-	✓	✓	✓	A, B-2
9/9/61	11403	CURT CROWELL	125-	✓	✓	✓	A, B-2
	11417	D. SURKO	50-	✓	✓	✓	A, B-2
9/15/61	11444	CURT CROWELL	125-	✓	✓	✓	A, B-2
9/18/61	11475	D. SURKO	55-	✓	✓	✓	A, B-2
9/24/61	11486	CURT CROWELL	125-	✓	✓	✓	A, B-2
9/26/61	11514	D. SURKO	75-	✓	✓	✓	A, B-3
9/30/61	11544	CURT CROWELL	125-	✓	✓	✓	A, B-3
10/1/61	11561	D. SURKO	7000	✓	✓	✓	A, B-3
10/6/61	11573	CURT CROWELL	75-	✓	✓	✓	A, B-3
10/11/61	11605	D. SURKO	6750	✓	✓	✓	A, B-3
10/15/61	11616	CURT CROWELL	75-	✓	✓	✓	A, B-3
10/18/61	11637	D. SURKO	6150	✓	✓	✓	A, B-3
10/19/61	11650	CURT CROWELL	85-	✓	✓	✓	A, B-3
10/21/61	11660	" "	75-	✓	✓	✓	A, B-3
10/26/61	11669	D. SURKO	54-	✓	✓	✓	A, B-3
10/27/61	11781	CURT CROWELL	125-	✓	✓	✓	A, B-3
10/30/61	11700	D. SURKO	78-	✓	✓	✓	A, B-3
11/1/61	11744	CURT CROWELL	125-	✓	✓	✓	A, B-3
11/6/61	11745	D. SURKO	7575	✓	✓	✓	A, B-3
11/16/61	11764	CURT CROWELL	75-	✓	✓	✓	A, B-3
11/13/61	11781	D. SURKO	44-	✓	✓	✓	A, B-3
11/20/61	11814	D. SURKO	6450	✓	✓	✓	A, B-3
11/27/61	11851	D. SURKO	5114	✓	✓	✓	A, B-3
12/1/61	11905	D. SURKO	6375	✓	✓	✓	A, B-3
12/11/61	11914	D. SURKO	3114	✓	✓	✓	A, B-3
12/18/61	11968	D. SURKO	6975	✓	✓	✓	A, B-3
12/21/61	13005	D. SURKO	3825	✓	✓	✓	A, B-3
TOTAL PER TAX RETURN			300378				

IRS EXAM 1961, 6Y, 63
INVESTIGATION OF "LOADING CHARGES"
1961

LOADING CHARGES

DATE	AC #	PAY TO	AMOUNT	SOURCES				EXHIBITS
				CD	JANL	CHECK	STUSS	
JAN 4/61	11 463	LOWLANDY LIESSENG	500	✓	✓	✓	✓	A
9		Y89 JOHN W. McGRATH	3713	✓	✓	✓	✓	A
16		341 A. CLOUGH	45-	✓	✓	✓	✓	A
24		341 INTL TERMINAL OPER CO.	4841	✓	✓	✓	✓	A
31		384 A. CLOUGH	48-	✓	✓	✓	✓	A
FEB 3/61	11 585	NORTH MARINE TERM	3356	✓	✓	✓	✓	A
6		394 UNIV TERM STEVEDORING	10405	✓	✓	✓	✓	A
8		413 A. CLOUGH	44-	✓	✓	✓	✓	A
10		418 A. CLOUGH	34-	✓	✓	✓	✓	A
16		459 J.W. McGRATH CORP	460	✓	✓	✓	✓	A
18		479 A. CLOUGH	48-	✓	✓	✓	✓	A
25		494 A. CLOUGH	47-	✓	✓	✓	✓	A
27		JOHN UNIVERSAL TERM STEV	3164	✓	✓	✓	✓	A
MAR 4/61	11 514	A. CLOUGH	5950	✓	✓	✓	✓	A, B-1
11		546 A. CLOUGH	45-	✓	✓	✓	✓	A, B-1
14		567 INTL TERMINAL OPER	748	✓	✓	✓	✓	A, B-1
22		607 SCAFFOLD SERVICE	4874	✓	✓	✓	✓	A, B-1
24		614 J.W. McGRATH CORP	577	✓	✓	✓	✓	A, B-1
APR 12/61	11 703	A. CLOUGH	5375	✓	✓	✓	✓	A, B-1
19		745 ATLANTIC STEVEDORING	1487	✓	✓	✓	✓	A, B-1
24		731 A. CLOUGH	5-	✓	✓	✓	✓	A, B-1
25		747 LOWLANDY LIESSENG	500	✓	✓	✓	✓	A, B-1
MAY 1/61	11 769	A. CLOUGH	4450	✓	✓	✓	✓	A, B-1
1		725 ATLANTIC CARGO	4-	✓	✓	✓	✓	A, B-1
6		714 A. CLOUGH	4645	✓	✓	✓	✓	A, B-1
10		814 MARINE STEVEDORING	339	✓	✓	✓	✓	A, B-1
20		859 A. CLOUGH	15-	✓	✓	✓	✓	A, B-1
28		859 A. CLOUGH	75-	✓	✓	✓	✓	A, B-1
27		886 A. CLOUGH	3645	✓	✓	✓	✓	A, B-1
31		898 J.W. McGRATH	641	✓	✓	✓	✓	A, B-1
JUNE 5/61	11 918	A. CLOUGH	4145	✓	✓	✓	✓	A, B-1
7		948 AMER PRES LINES	844	✓	✓	✓	✓	A, B-1
10		941 A. CLOUGH	4825	✓	✓	✓	✓	A, B-1
16		967 LOWLANDY LIESSENG	5651	✓	✓	✓	✓	A, B-1
17		974 A. CLOUGH	4150	✓	✓	✓	✓	A, B-1
21		990 J.W. McGRATH	557	✓	✓	✓	✓	A, B-1
23		991 J.W. McGRATH	5547	✓	✓	✓	✓	A, B-1
23	11 902	JOHN UNIVERSAL TERM CO	4-	✓	✓	✓	✓	A, B-1

SAL CIRAMI
IRS EXAM 1961 BY 63
INVESTIGATION OF "LOADING CHARGES" (CONT'D)
1961

LOADING CHARGES

					SOURCES				EXHIBITS
					CD	TRAIL	CHECK	STUBS	WORK SHEET
DATE	CK #	PAY TO	AMOUNT						
DEC 1 '61	14871	PIER 8 TERMINALS	A 4183	✓	✓				A, B-3
✓	891	INTL TERMINAL	A 4093	✓	✓				A, B-3
✓	892	INTL TERMINAL	A 494	✓	✓				A, B-3
11	926	PITTSBURGH STEVEDORING	C 1418	✓	✓				A, B-3
14	924	LOWLAND & LUTSANG	C 19866	✓	✓				A, B-3
24	1304	UNIVERSAL TERMINAL STEV	4587	✓	✓				A, B-4
29	030	PIER 8 TERMINALS	1177	✓	✓				A, B-4
SUMMARY CD SUB-TOTAL (COL 3)			41469						
*** NOTE: ITEMS WITH "A" WERE CHARGED TO GAS & OIL BY BRINGING FORWARD THE CASH DISBURSEMENTS BALANCE FROM COL 3 'LOADING CHARGES' TO COL 4 'GAS & OIL'. ITEMS "A" TOTAL 36065; THEY ARE NOT INCLUDED IN THE SUB TOTAL.									
ANALYSIS OF 'LOADING CHARGES' OF 1099 Y6									
OF "SUMMARY OF CASH DISBURSEMENTS 1961" LINE Y8									
FEB 3 '61	11389	P. MINTON	1414	✓	✓				A
✓	505	A. CLOUGH	35	✓	✓				A, B-1
MAR 18 '61	584	A. CLOUGH	3750	✓	✓				A, B-1
✓	670	A. CLOUGH	4450	✓	✓				A, B-1
APR 1 '61	654	A. CLOUGH	4875	✓	✓				A, B-1
8	683	A. CLOUGH	50	✓	✓				A, B-1
MAY 18 '61	843	EMM ARREST S. DIVE	9998	✓	✓				A, B-1
JUL 1 '61	1041	A. CLOUGH	75	✓	✓				A, B-2
✓	12141	A. CLOUGH	75	✓	✓				A, B-2
✓	144	A. CLOUGH	75	✓	✓				A, B-2
AUG 1 '61	149	INTL TERMINAL	5483	✓	✓				A, B-2
✓	17	REPAIRS	5178	✓	✓				A, B-2
8	178	RNY EXP	4670	✓	✓				A, B-2
SEPT 3 '61	17478	LOWLAND & LUTSANG	19611	✓	✓				A, B-2
3	121	UNIVERSAL TERMINAL	4060	✓	✓				A, B-2
✓	17518	PIER 8 TERMINAL	759	✓	✓				A, B-3

SAC CIRAMI
IRS EXAM 1961, 62, 63
INVESTIGATION OF "LOADING CHARGES" (CONT'D)
1961

LOADING CHARGES

DATE	CHK#	PAY TO	AMOUNT	SOURCES					EXHIBITS
				CD	TRAIL	CHECK	STAMP	INITIAL	
JUNE 30 '61	11998	U.S. LINDS	✓	✓	✓	✓	✓	✓	A, B-1
44	1401	A. CLOUGH	351	✓	✓	✓	✓	✓	A, B-1
79	1049	RAWLAND & LEISGANS	10071	✓	✓	✓	✓	✓	A, B-1
JULY 1 '61	11040	A. CLOUGH	3645	✓	✓	✓	✓	✓	A, B-1
6	✓	RAWLAND & LEISGANS	10091	✓	✓	✓	✓	✓	A, B-1
8	65	A. CLOUGH	3750	✓	✓	✓	✓	✓	A, B-1
14	78	JOHN T. CLARK & SON	11003	✓	✓	✓	✓	✓	A, B-1
15	85	A. CLOUGH	4750	✓	✓	✓	✓	✓	A, B-1
24	11116	A. CLOUGH	4750	✓	✓	✓	✓	✓	A, B-1
29	134	A. CLOUGH	4750	✓	✓	✓	✓	✓	A, B-1
AUG 3 '61	11155	RAWLAND & LEISGANS	8068	✓	✓	✓	✓	✓	A, B-1
3	156	UNIVERSAL TRADING SERVICE	14165	✓	✓	✓	✓	✓	A, B-1
SEPT 1 '61	17365	PITTSBURGH STEEL	4530	✓	✓	✓	✓	✓	A, B-1
5	393	JOHN W. McGRATH	1704	✓	✓	✓	✓	✓	A, B-1
13	434	PITTSBURGH STEEL	404	✓	✓	✓	✓	✓	A, B-1
18	445	INTL TRADING CO.	35	✓	✓	✓	✓	✓	A, B-1
25	14507	JOHN W. McGRATH	1686	✓	✓	✓	✓	✓	A, B-1
25	508	INTL TRADING CO.	6108	✓	✓	✓	✓	✓	A, B-2
29	535	UNIV. TRADING SERVICE	3144	✓	✓	✓	✓	✓	A, B-2
29	536	MOORE STEEL CO. INC.	3876	✓	✓	✓	✓	✓	A, B-2
29	538	RAWLAND & LEISGANS	1911	✓	✓	✓	✓	✓	A, B-2
OCT 4	14566	INTL TRADING CO.	440	✓	✓	✓	✓	✓	A, B-2
4	567	PITTSBURGH STEEL	644	✓	✓	✓	✓	✓	A, B-2
11	14606	INTL TRADING CO.	1196	✓	✓	✓	✓	✓	A, B-2
17	641	BOY R. CO. AIR CO.	644	✓	✓	✓	✓	✓	A, B-2
17	642	JOHN T. CLARK & SON	17649	✓	✓	✓	✓	✓	A, B-2
17	644	RAWLAND & LEISGANS INC.	41433	✓	✓	✓	✓	✓	A, B-2
19	645	INTL TRADING CO.	888	✓	✓	✓	✓	✓	A, B-2
26	678	MAKER STEEL TRADING CO.	4480	✓	✓	✓	✓	✓	A, B-2
26	679	JOHN T. CLARK & SON	388	✓	✓	✓	✓	✓	A, B-2
26	680	UNIV. TRADING SERVICE	363	✓	✓	✓	✓	✓	A, B-2
NOV 1	714	AMERICAN EXPORT CO.	✓	✓	✓	✓	✓	✓	A, B-2
10	762	PITTSBURGH STEEL	1031	✓	✓	✓	✓	✓	A, B-2
13	717	RAWLAND & LEISGANS INC.	4044	✓	✓	✓	✓	✓	A, B-2
16	720	INTL TRADING CO.	1018	✓	✓	✓	✓	✓	A, B-2
18	1211	BOY R. CO. AIR CO.	15	✓	✓	✓	✓	✓	A, B-2
21	818	AMERICAN EXPORT CO.	581	✓	✓	✓	✓	✓	A, B-2
DEC 1	1282	JOHN W. McGRATH	8419	✓	✓	✓	✓	✓	A, B-2

✓
SAL C. RAMI
IRS EXAM 1961, 62, 63
INVESTIGATION OF "LOADING CHARGES" (CONT'D)

LOADING CHARGES

DATE	CHK #	PAY TO	AMOUNT
SEPT 8/61	14540	AMSTERDAM Co	1150
OCT 13/61	14676	AIR FLY WAREHOUSE Co	3130
76	14681	PAN AMER. WORLD AIRWAYS	8-

SUB-TOTAL AMT OF LOADING CHGS 109976

GRAND TOTAL BEARS ARTIST'S ENTRY 541195

ADD: RAISING JOURNAL ENTRY #10, 11/2/61 34494

TOTAL PER TAX RETURN 54489

SOURCES					EXHIBITS
CD	TAML	CHECK	STUBS	WORK SHEET	
					A, B-2
					A, B-2
					A, B-2

Sgt C. L. L. M.

IRS EXAM 1961, 62, 63

INVESTIGATION OF "TRAVEL AND ENTERTAINING"
1961

TRAVEL & ENTERTAINING

TRAVEL & ENTERTAINING				SOURCES				EXHIBITS
DATE	CK#	PAY TO	AMOUNT	CD	TAX	CHECK	STUBS	WORK SHEET
1/31/61	11371	DINERS CLUB	1588	✓				A
2/13/61	11431	DINERS CLUB	1774	✓				A
3/10/61	11539	DINERS CLUB	3735	✓	✓			A, B-1
4/5/61	11675	NAT SHERMAN	66-	✓	✓			A, B-1
5/11/61	11818	UNITED AIR LINES (EXCH POSSIBLY POSTED INCORRECT)	7448	✓	✓			A, B-1
6/1/61	11901	INTL HOTEL	1075	✓	✓			A, B-1
6/6/61	11945	NAT SHERMAN Co.	66-	✓	✓			A, B-1
6/6/61	11946	TWA (TRAVEXP)	5446	✓	✓			A, B-1
7/12/61	12081	INTL HOTEL	9346	✓	✓			A, B-2
8/8/61	12187	INTL HOTEL	6873	✓	✓			A, B-2
8/11/61	12196	NAT SHERMAN Co.	8450	✓	✓			A, B-2
9/12/61	12449	INTL HOTEL	14751	✓	✓			A, B-2
9/17/61	12514	SCHWEPES LTD	6-	✓	✓			A, B-3
9/18/61	12529	FRED SPITZ	7575	✓	✓			A, B-3
9/19/61	12531	INTERNATIONAL HOTEL	6783	✓	✓			A, B-3
9/20/61	12532	HOTEL NEW YORKER	1786	✓	✓			A, B-3
9/21/61	12533	AMERICAN EXPRESS Co.	71-	✓	✓			A, B-3
9/29/61	12534	HOTEL CONTINENTAL	7430	✓	✓			A, B-3
10/10/61	12600	NAT SHERMAN	88-	✓	✓			A, B-3
10/11/61	12607	INTERNATIONAL HOTEL	6544	✓	✓			A, B-3
10/12/61	12640	DINERS CLUB INC	7195	✓	✓			A, B-3
11/12/61	12741	INTERNATIONAL HOTEL	4430	✓	✓			A, B-3
12/24/61	12984	R. MINTON (XMAS GIFT)	75-	✓	✓			A, B-3
"	991	L. CURLEY (XMAS)	10-	✓	✓			A, B-3
"	993	L. ROMANO (XMAS)	10-	✓	✓			A, B-3
"	995	G. CHIQUARANO (XMAS)	10-	✓	✓			A, B-3
"	996	J. GEIGER (XMAS)	10-	✓	✓			A, B-3
"	999	V. DI MORATO (XMAS)	10-	✓	✓			A, B-3
"	13004	A. GUARGLIA (XMAS)	10-	✓	✓			A, B-3
"	13006	D. SURKO (XMAS)	10-	✓	✓			A, B-3
"	13009	S. NEWHALL (XMAS)	75-	✓	✓			A, B-3
12/29/61	13048	FAIRWAY LIQUORS	78043	✓	✓			A, B-4
			165030					
ADD: ADVERTISING ENTRY #10, Dec 31/61			15075					
LESS: " " #11			7817					
NET ADDITION			17258					
TOTAL PER TAX RETURN			177588					

SAL CIRAMI
IRS EXAM 1961, 62, 63
INVESTIGATION OF "RENTAL OF TRUCKS"
1961

RENTAL OF TRUCKS					SOURCES					EXHIBITS
DATE	CK #	PAY TO	AMOUNT		CASH	TRUCK	TRUCK	TRUCK	TRUCK	
PER SUPPORTING SCHEDULES										
TO INDIVIDUAL DRIVERS ON PAGES 11, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40										
JULY 17, 61	12101	CURTIS WILLIAMS	70-		✓	✓				A, B-2
24	12110	C. WILLIAMS	70-		✓	✓				A, B-2
AUG 15	12222	ROBT DE PRINI	20-		✓	✓				A, B-2
	12223	WM FISCHER	20-		✓	✓				A, B-2
17	12226	JAMES SEIBERER	27		✓	✓				A, B-2
	12227	J. DOLAN	975		✓	✓				A, B-2
	12228	J. GEHLING	975		✓	✓				A, B-2
	12230	WM WARD	13-		✓	✓				A, B-2
	12231	K. CAHILL	6-		✓	✓				A, B-2
	12232	R. MACH	10-		✓	✓				A, B-2
	12234	E. NOONAN	10-		✓	✓				A, B-2
	12235	JOHN SCHRANK	9-		✓	✓				A, B-2
	12236	M. MANDELMAN	9-		✓	✓				A, B-2
18	12238	G. KOUCELAK	10-		✓	✓				A, B-2
	12239	ALFRED MOTO	25-		✓	✓				A, B-2
	12242	ALVIN MURENSEN	20-		✓	✓				A, B-2
19	12243	GEO. ROBBIN	10-		✓	✓				A, B-2
22	12311	L. LA SALA	200-		✓	✓				A, B-2
SEPT 15	12440	JOHN DUBIN	25-		✓	✓				A, B-2
16	12451	IZZY FRAZIO	20-		✓	✓				A, B-2
21	12477	JACK NEMTHIN	3250		✓	✓				A, B-2
23	12491	JOHN ALEVI	17-		✓	✓				A, B-2
25	12509	JOHN M. POLLACK	150-		✓	✓				A, B-2
26	12510	R. DEPRIMO	1050		✓	✓				A, B-2
30	12546	J. ALERIS	10-		✓	✓				A, B-3
16	12452	TOM SFRAGA	20-		✓	✓				A, B-2
16	12453	VINCENT BUTEND	20-		✓	✓				A, B-2
OCT 2	12548	HERTZ CORP	150-		✓	✓				A, B-3
4	12565	S. FINKELBLUM	16-		✓	✓				A, B-3
7	12575	J. ALERIS	12-		✓	✓				A, B-3
10	12604	J. ALERIS	15-		✓	✓				A, B-3
13	12610	J. DUBIN	160-		✓	✓				A, B-3
14	12619	J. ALERIS	10-		✓	✓				A, B-3
18	12649	M. PRASANDI	100-		✓	✓				A, B-3

10/

SAL CIRAMI
IRS EXAM 1961, 62, 63
INVESTIGATION OF "RENTAL OF TRUCKS"
1961

RENTAL OF TRUCKS				AMOUNT	SOURCES					EXHIBITS
DATE	CK #	PAY TO			CD	DRAWL	CHECK	STAMP	STAMP	
OCT 21	12655	J DUDN		50-	✓	✓				A, B-3
	12656	JALERIS		70-	✓	✓				A, B-3
28	12688	J. PROVENZANO		38 31	✓	✓				A, B-3
NOV. 7	12749	HERTZ CORP.		251 39	✓	✓				A, B-3
				<u>166 40</u>						
Payments to NASSAU TRUCK RENTAL				18080-						
weekly of amount to "WILLIAM"										
from contractors (per written										
agreement to pay NASSAU TRUCK										
RENTAL the contractors liability										
to NASSAU TRUCK RENTAL										
was at the rate of 60 per truck										
for the rental of the truck. The										
driver was to then return truck										
per week SAL CIRAMI DBA										
AIR FREIGHT PASSENGER Co										
There was a total of \$4980 paid										
to NASSAU TRUCK RENTAL by Sal Cirami										
\$18080 was allocated to truck rental										
11500 " " " Loan for sale										
				<u>18080</u>						
Journal Entry 17/1/61 charging										
additional expenses of truck										
rental to NASSAU TRUCK RENTAL				<u>4800-</u>						
Journal Entry # 10 12/31/61				<u>4800</u>						
" " " 12/31/61				<u>740-</u>						
TOTAL PER TAX RETURN				<u><u>6771615</u></u>						

INVESTIGATION OF "FLEET OF TRUCKS" — SUPPORTING SCHEDULE

INVESTIGATION OF "L. H. HALL & SONS"													
RENTAL OF TRUCKS													
DATE	TRUCK	TO	FROM	TO	FROM	TO	FROM	TO	FROM	TO	FROM	TO	FROM
1946	VAR	80	30	60	100	80	100	50	100	10	100	10	100
5	VAR	40	30	100	100	100	80	100					
6	VAR	85	70	100	100	100	80	100					
7	VAR	30	100	100	100	100	100						
13	VAR	40	100	100	100	100	100						
16	VAR	85	90	100	60	100	60						
16	VAR	80	60	100	60	100	100						
18	VAR	80	100	60	100	100	100						
51	VAR	100	100	100	100	100	100						
JAN 70 - 349631													
FEB 1													
6	VAR	30	90	80	100	60	80						
11	VAR	60	90	100	100	80	80						
16	VAR	70	100	100	100	80	80						
18	VAR	100	100	100	100	100	100						
FEB 20 - 349631													
MAR 4													
6	VAR	100	100	100	100	100	100						
7	VAR	100	100	100	100	100	100						
11	VAR	100	100	100	100	100	100						
13	VAR	100	100	100	100	100	100						
17	VAR	100	100	100	100	100	100						
18	VAR	100	100	100	100	100	100						
MAR 20 - 349631													
APR 4													
6	VAR	100	100	100	100	100	100						
7	VAR	100	100	100	100	100	100						
11	VAR	100	100	100	100	100	100						
13	VAR	100	100	100	100	100	100						
17	VAR	100	100	100	100	100	100						
18	VAR	100	100	100	100	100	100						
MAR 20 - 349631													
APR 4													
6	VAR	100	100	100	100	100	100						
7	VAR	100	100	100	100	100	100						
11	VAR	100	100	100	100	100	100						
13	VAR	100	100	100	100	100	100						
17	VAR	100	100	100	100	100	100						
18	VAR	100	100	100	100	100	100						
MAR 20 - 349631													
APR 4													
6	VAR	100	100	100	100	100	100						
7	VAR	100	100	100	100	100	100						
11	VAR	100	100	100	100	100	100						
13	VAR	100	100	100	100	100	100						
17	VAR	100	100	100	100	100	100						
18	VAR	100	100	100	100	100	100						
MAR 20 - 349631													
APR 4													
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7	VAR	100	100	100	100	100	100						
11	VAR	100	100	100	100	100	100						
13	VAR	100	100	100	100	100	100						
17	VAR	100	100	100	100	100	100						
18	VAR	100	100	100	100	100	100						
MAR 20 - 349631													
APR 4													
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7	VAR	100	100	100	100	100	100						
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13	VAR	100	100	100	100	100	100						
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18	VAR	100	100	100	100	100	100						
MAR 20 - 349631													
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MAR 20 - 349631													
APR 4													
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MAR 20 - 349631													
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MAR 20 - 349631													
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MAR 20 - 349631													
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MAR 20 - 349631													
APR 4													
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MAR 20 - 349631													
APR 4													
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MAR 20 - 349631													
APR 4													
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MAR 20 - 349631													
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MAR 20 - 349631													
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MAR 20 - 349631													
APR 4													
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13	VAR	100	100	100	100	100	100						
17	VAR	100	100	100	100	100	100						
18	VAR	100	100	100	100	100	100						
MAR 20 - 349631													
APR 4													
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7	VAR	100	100	100	100	100	100						
11	VAR	100	100	100	100	100	100						
13	VAR	100	100	100	100	100	100						
17	VAR	100	100	100	100	100	100						
18	VAR	100	100	100	100	100	100						
MAR 20 - 349631													
APR 4													
6	VAR	100	100	100	100	100	100						
7	VAR												

[illegible]

13/ SAI CORP
 IRS 441. 461. 463
 INVT. REPORT OF "REPORT OF TRUCKS" - SUPERSTOCK SEASON
 1961

DATE	TR	GLR	SALES	EXPENSES	NET	PROFIT	TOTAL
1961							
1	JAN 1 S. L. R. AD	VAR	100	100	100		
2	8	VAR	100	80	100		
3	✓ A CLOUGH	VAR	100	100	100		
4	✓	VAR	100	100	100		
5	✓ G CHARTING	VAR	100	100	100		
6							
7	JULY 1 - 12	VAR	100	100	100		
8							
9							
10	11	VAR	100	100	100		
11	12	VAR	100	100	100		
12	13	VAR	100	100	100		
13	14	VAR	100	100	100		
14	15	VAR	100	100	100		
15	16	VAR	100	100	100		
16	17	VAR	100	100	100		
17	18	VAR	100	100	100		
18	19	VAR	100	100	100		
19	20	VAR	100	100	100		
20	21	VAR	100	100	100		
21	22	VAR	100	100	100		
22	23	VAR	100	100	100		
23	24	VAR	100	100	100		
24	25	VAR	100	100	100		
25	26	VAR	100	100	100		
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62	63	VAR	100	100	100		
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69	70	VAR	100	100	100		
70	71	VAR	100	100	100		
71	72	VAR	100	100	100		
72	73	VAR	100	100	100		
73	74	VAR	100	100	100		
74	75	VAR	100	100	100		
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97	98	VAR	100	100	100		
98	99	VAR	100	100	100		
99	100	VAR	100	100	100		

SOURCES: CD JRL
 CHECK STUBS
 WORK SHEET
 EXHIBITS: A, B-2, B-3

SAL CIRAMI
IRS EXAM 1961, 62, 63
INVESTIGATION OF 'RENTAL OF TRUCKS' - SUPPORTING SCHEDULE
1961

DATE	PAY TO	CHECK #	ACCOUNT	PORTLAND	MINUTON	CIRAMI	MAILED	6	7	8	9	10	11	12	13	14	15	16	17
								PROVANO	JA	MAISON	CIRAMI	NEWMAN	DEMERY	DEMERY	BRAND	FINO-NT			
								80-	80-	100-	108-								70-
1	OCT 2	J PROVANO	VAR	123-			15525												
2	6		VAR	125-		45-													
3	7		VAR		105-		5525												
4	9		VAR			30-													
5	13		VAR		105-		12025												
6	14		VAR	125-															
7	16		VAR	1250		30-													
8	19		VAR				14794												
9	21		VAR	125-	110-														
10	23		VAR																
11	27		VAR	125-			133-												
12	30	A RUSSO	VAR	50-															
13																			
14																			
15		DET TOTAL 3966 19		15554	320-	105-	71919	442-	510-	496-	308-	45-	190-						145-
16																			
17																			
18	NOV 4	J ALLERS	VAR	155-		30-	135-												
19	6		VAR		130-		7450												
20	8		VAR	125-	105-														
21	15		VAR	175-															
22	18	T CARRUSO	VAR			35-	18018												
23	20		VAR		130-														
24	24		VAR			35-	12094												
25	27	HERTZ CORP	VAR	140-	105-	35-													
26	11																		
27																			
28																			
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30																			
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A-104

SOURCES: CD JAWL
CHECK STUBS
WORK SHEET
EXHIBITS: A, B-3

IRS EXEM 1961, 62, 63
TAXES ON RENTAL OF TRUCKS - SUPPOR - NO SCHEDULE

SOURCES: CD JRNL.
CHECK STUBS
WORK SHEET

EXHIBITS: A, B-3, B-4

16
 IRS EXAM 1161.62.63
 INVESTIGATION OF "REPAIRS + MAINTENANCE OF TRUCKS"
 1961

TRUCK REPAIR			AMOUNT	SOURCES					EXHIBITS
DATE	CK#	PAY TO		CD	TRAIL	CHECK	STUBS	WORK	
JAN 3	11258	AMITY AUTO	895	✓					A
4	11261	C.A. BOND	525	✓					A
14	11314	L. KOON SONS	200 -	✓					A
14	11315	W. TILLOTSON	25 -	✓					A
FEB 6	11401	AMITY AUTO	480	✓					A
6	11408	PORTLYN MOTORS	6350	✓					A
6	11411	R. RODRIGUEZ	20 -	✓					A
6	11429	W. TILLOTSON	25 -	✓					A
18	11468	W. TILLOTSON	25 -	✓					A
27	11500	L.I. RED TRUCK	4207	✓					A
27	11506	G. RODRIGUEZ	104 -	✓					A
MAR 4	11518	W. TILLOTSON	25 -	✓	✓				A, B-1
8	11536	TON GERAGHY AUTO	7 -	✓	✓				A, B-1
11	11560	W. TILLOTSON	25 -	✓	✓				A, B-1
18	11583	W. TILLOTSON	25 -	✓	✓				A, B-1
20	11588	F. DEMORATO	125 -	✓	✓				A, B-1
20	11589	C. VICTOR	80 -	✓	✓				A, B-1
20	11590	P. MINTON	100 -	✓	✓				A, B-1
20	11591	J. SILVERMAN	100 -	✓	✓				A, B-1
21	11632	FRANK'S SHIP	75 -	✓	✓				A, B-1
21	11604	J. GONZALEZ	35 -	✓	✓				A, B-1
22	11608	J. JUDIA	25 -	✓	✓				A, B-1
22	11610	J. GEIGER	750	✓	✓				A, B-1
25	11619	W. TILLOTSON	25 -	✓	✓				A, B-1
31	11644	J. GONZALEZ	35 -	✓	✓				A, B-1
APR 3	11667	PLYMOUTH SERVICE STA	9253	✓	✓				A, B-1
4	11670	SYDNEY FINKELBERG	2987	✓	✓				A, B-1
4	11672	R. RODRIGUEZ	25 -	✓	✓				A, B-1
8	11680	W. TILLOTSON	25 -	✓	✓				A, B-1
15	11701	W. TILLOTSON	25 -	✓	✓				A, B-1
19	11723	MOTORWAYS INC	490	✓	✓				A, B-1
22	11722	W. TILLOTSON	25 -	✓	✓				A, B-1
MAY 2	11777	DIAMOND AUTO REPAIR	25 -	✓	✓				A, B-1
6	11803	W. TILLOTSON	25 -	✓	✓				A, B-1
8	11804	PLYMOUTH SERVICE STA	4521	✓	✓				A, B-1
13	11837	W. TILLOTSON	25 -	✓	✓				A, B-1

SAC CIRAM I
IRS EXAM 1961, 62, 63
INVESTIGATION OF "REPAIRS + MAINTENANCE OF TRUCKS"

"TRUCK REPAIR"				AMOUNT	SOURCE					EXHIBITS
DATE	CK #	PAY TO			CASH	CHECK	STAMP	STAMP	STAMP	
MAY 9	11846	CASH PARTS		76-	✓	✓				A, B-1
20	11858	W. TILLOTSON		25-	✓	✓				A, B-1
JUNE 2	11900	PLYMOUTH SERV STA		6754	✓	✓				A, B-1
2	11903	W. OSTRANDER		3750	✓	✓				A, B-1
3	11908	W. TILLOTSON		65-	✓	✓				A, B-1
10	11942	W. TILLOTSON		25-	✓	✓				A, B-1
17	11982	W. TILLOTSON		25-	✓	✓				A, B-1
23	11994	DENSCO AGENCY		108	✓	✓				A, B-1
23	11995	L. I. RED TRUCK		943	✓	✓				A, B-1
24	12011	W. TILLOTSON		25-	✓	✓				A, B-2
JULY 8	12069	W. TILLOTSON		25-	✓	✓				A, B-2
15	12086	W. TILLOTSON		30-	✓	✓				A, B-2
22	12110	W. TILLOTSON		25-	✓	✓				A, B-2
29	12143	W. TILLOTSON		25-	✓	✓				A, B-2
AUG 14	12204	W. TILLOTSON		25-	✓	✓				A, B-2
14	12225	W. TILLOTSON		25-	✓	✓				A, B-2
28	12330	W. TILLOTSON		50-	✓	✓				A, B-2
29	12337	MIDTOWN SERV STA		5-	✓	✓				A, B-2
29	12354	DIEHL & SON		2608	✓	✓				A, B-2
29	12361	LOUIS VAN GENTEN (WELDER)		40-	✓	✓				A, B-2
SEP 2	12388	W. TILLOTSON		25-	✓	✓				A, B-2
9	12402	WALTER TILLOTSON		25-	✓	✓				A, B-2
11	12436	DIEHL & SON		4753	✓	✓				A, B-2
13	12438	L. I. RED TRUCK CO		33583	✓	✓				A, B-2
15	12447	PLYMOUTH SERV STA		108.77	✓	✓				A, B-2
16	12450	WALTER TILLOTSON		25-	✓	✓				A, B-2
16	12470	MIDTOWN SERV STA		2-	✓	✓				A, B-2
23	12489	W. TILLOTSON		25-	✓	✓				A, B-2
27	12515	R. V. D. PARTS		25-	✓	✓				A, B-3
27	12543	W. TILLOTSON		25-	✓	✓				A, B-3
OCT 9	12588	JOHN FITCH		15-	✓	✓				A, B-3
27	12687	WALTER TILLOTSON		25-	✓	✓				A, B-3
28	12691	J. CLINGER		20-	✓	✓				A, B-3
28	12692	JAMES CIRAM I		35-	✓	✓				A, B-3

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SAC, PHOENIX
 INFO EXAM. 1961, 62, 63
 INVESTIGATION OF "REPAIRS + MAINTENANCE OF TRUCKS"
 1961

"TRUCK REPAIR"

AMOUNT

SOURCES

EXHIBITS

DATE CK# PAY TO

 CASH
 CHECK
 STUBS
 WORK
 SHEET

OCT 30	12643	P. MINTON
NOV 21	12821	IDEWILD MOUNT
NOV 2	12716	PENNA AUTO RADIATOR
2	12717	PENNA. A. RADIATOR
3	12718	BRAKE SERVICE INC
3	12720	ATLANTIC SPR + WHEEL
4	12728	WALTER TILLOTSON
7	12746	PLYMOUTH SERV STA
10	12762	SECURITY SEAL CO
11	12766	J GEIGER
29	12854	ATLANTIC WHEEL + RIM
D.C. 3	12870	WALTER TILLOTSON
11	12925	CUSTOM AUTO GLASS
11	12934	PLYMOUTH SERV STA
18	12776	SURBOROAN AUTO SERV

105 -

1595

13425

16 -

11515

1980

25 -

3770

1103

20 -

690

30 -

157 -

3591

2103

A, B-3

A, B-3

A, B-3

A, B-3

A, B-3

A, B-3

A, B-3

A, B-3

A, B-3

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A, B-3

A, B-3

A, B-3

SUB TOTAL "TRUCK REPAIRS"

369206

"GARAGE, GAS + OIL"

JUNE 23	11993	COLT WORTHINGTON OIL
29	12027	BRKLYN UNION GAS
29	12028	CON EDISON
JULY 13	12080	PLYMOUTH SERV STA
AUG 8	12185	PLYMOUTH SERV STA
8	12186	TOM GERAGHTY STA
SEP 1	12366	MIDTOWN SERV STA
OCT 10	12601	PLYMOUTH SERV STA
DEC 1	12870	J.W. McGRATH HB
1	12871	PIER 8 TERMINALS
5	12891	INT'L TERMINALS
5	12892	INT'L TERMINALS
11	12926	PITTSFORD STEVEDORES
14	12945	ROWLAND + LIESGANG

5890

678

6486

7328

5562

12210

5 -

8786

8219

4183

2093

494

1208

19868

A, B-1

A, B-2

A, B-2

A, B-2

A, B-2

A, B-2

A, B-2

A, B-3

A, B-3

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A, B-3

A, B-3

A, B-3

SUB TOTAL "GARAGE, GAS AND OIL"

83505

195 EX. 7m 1961, 62, 63

1961

NOTES

SAL CIRAMI
IRS EXAM 1961, 62, 63
INVESTIGATION OF "ROAD EXPENSES, TOLLS, PARKING FEES"
1961

"PETTY CASH"

	DATE	CK #	PAY TO	AMOUNT	SOURCES					EXHIBITS
					CD	JRNL	CHECK	STUBS	WALK	
1	JAN 3	11252	CASH	9009	✓					A
2	6	11275	CASH	25-	✓					A
3	9	11287	PETTY CASH	6195	✓					A
4	13	11308	CASH	35-	✓					A
5	16	11318	CASH	9499	✓					A
6	21	11334	CASH	35-	✓					A
7	23	11339	CASH	7444	✓					A
8	27	11356	CASH	35-	✓					A
9	30	11367	CASH	3810	✓					A
10	FEB 3	11387	CASH	20-	✓					A
11	3	11392	CASH	35-	✓					A
12	6	11404	CASH	6955	✓					A
13	10	11444	CASH	35-	✓					A
14	13	11438	CASH	6863	✓					A
15	17	11449	CASH	35-	✓					A
16	20	11469	CASH	5532	✓					A
17	25	11484	CASH	35-	✓					A
18	27	11496	CASH	5535	✓					A, B-1
19	MAR 3	11513	CASH	35-	✓	✓				A, B-1
20	6	11520	PETTY CASH	5395	✓	✓				A, B-1
21	10	11541	CASH	35-	✓	✓				A, B-1
22	13	11561	PETTY CASH	5290	✓	✓				A, B-1
23	16	11570	CASH	31-	✓	✓				A, B-1
24	17	11578	CASH	35-	✓	✓				A, B-1
25	22	11609	PETTY CASH	7311	✓	✓				A, B-1
26	25	11619	CASH	35-	✓	✓				A, B-1
27	27	11626	PETTY CASH	2914	✓	✓				A, B-1
28	30	11642	CASH	35-	✓	✓				A, B-1
29	31	11646	S. NEWHALL	2412	✓	✓				A, B-1
30	APR 1	11649	PETTY CASH - BODIAN	2896	✓	✓				A, B-1
31	3	11658	PETTY CASH	7451	✓	✓				A, B-1
32	7	11676	CASH	35-	✓	✓				A, B-1
33	10	11686	PETTY CASH	6686	✓	✓				A, B-1
34	14	11702	CASH	35-	✓	✓				A, B-1
35	17	11706	PETTY CASH	4134	✓	✓				A, B-1
36	24	11732	CASH	35-	✓	✓				A, B-1
37	24	11736	PETTY CASH	5628	✓	✓				A, B-1
38	24	11743	A. CLOUGH (NET PAY)	9260	✓	✓				A, B-1
39	24	11744	J. PANAMIDA (NET PAY)	7985	✓	✓				A, B-1
40	28	11762	CASH	35-	✓	✓				A, B-1

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SEAL CIRCUIT
IRS EXAM 1961, 64, 63
INVESTIGATION OF "ROAD EXPENSES, TOLLS, PARKING FEES"
1261

"PETTY CASH"				AMOUNT					SOURCES		EXHIBITS	
DATE	CK #	PAY TO			CD	TRNL	CHECK	STUBS	WORK SHEET			
1												
2												
3												
4												
5												
6												
7												
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38												
39												
40												
MAY 1	11765	PETTY CASH		6569	✓	✓					A, B-1	
4	11784	CASH		30-	✓	✓					A, B-1	
5	11792	CASH		35-	✓	✓					A, B-1	
8	11806	PETTY CASH		6426	✓	✓					A, B-1	
14	11822	CASH		40-	✓	✓					A, B-1	
15	11838	PETTY CASH		5768	✓	✓					A, B-1	
18	11849	CASH		40-	✓	✓					A, B-1	
20	11863	PETTY CASH		4352	✓	✓					A, B-1	
27	11882	CASH		40-	✓	✓					A, B-1	
29	11891	PETTY CASH		4744	✓	✓					A, B-1	
29	11893	CASH		125-	✓	✓					A, B-1	
JUNE 2	11906	CASH		40-	✓	✓					A, B-1	
3	11914	PETTY CASH		7178	✓	✓					A, B-1	
9	11934	CASH		40-	✓	✓					A, B-1	
12	11946	PETTY CASH		6124	✓	✓					A, B-1	
16	11967	CASH		40-	✓	✓					A, B-1	
19	11986	PETTY CASH		7335	✓	✓					A, B-1	
23	11992	CASH		40-	✓	✓					A, B-1	
26	12018	PETTY CASH		4828	✓	✓					A, B-2	
JUL 7	12038	CASH		40-	✓	✓					A, B-2	
3	12051	PETTY CASH		8528	✓	✓					A, B-2	
	12058	CASH		40-	✓	✓					A, B-2	
12	12077	PETTY CASH		4125	✓	✓					A, B-2	
14	12083	CASH		40-	✓	✓					A, B-2	
17	12100	PETTY CASH		2998	✓	✓					A, B-2	
19	12102	PETTY CASH		3470	✓	✓					A, B-2	
24	12122	PETTY CASH		7360	✓	✓					A, B-2	
31	12147	PETTY CASH		4625	✓	✓					A, B-2	
AUG 4	12160	CASH		40-	✓	✓					A, B-2	
7	12167	PETTY CASH		7148	✓	✓					A, B-2	
11	12202	CASH		40-	✓	✓					A, B-2	
14	12217	PETTY CASH		7067	✓	✓					A, B-2	
17	12229	PETTY CASH		6566	✓	✓					A, B-2	
18	12241	CASH		64-	✓	✓					A, B-2	
21	12252	PETTY CASH		3145	✓	✓					A, B-2	
28	12326	CASH		17-	✓	✓					A, B-2	
28	12336	PETTY CASH		11390	✓	✓					A, B-2	
28	12349	CASH		40-	✓	✓					A, B-2	
SEP 1	12310	CASH		40-	✓	✓					A, B-2	

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SAL CIRAMI
IRS EXAM 1961, 62, 63
INVESTIGATION OF "ROAD EXPENSES, TOLLS, PARKING FEES"
1961

"PETTY CASH"				SOURCES				EXHIBITS	
DATE	CK #	PAY TO	AMOUNT	CD	TRN	CHECK	STUBS	EXHIBITS	
SEP 5	10391	PETTY CASH	8591	✓	✓	✓	✓	A, B-2	1
8	12399	CASH	40-	✓	✓	✓	✓	A, B-2	2
11	12419	CASH	12815	✓	✓	✓	✓	A, B-2	3
15	12448	CASH	40-	✓	✓	✓	✓	A, B-2	4
18	12471	PETTY CASH	9562	✓	✓	✓	✓	A, B-2	5
22	12491	CASH	40-	✓	✓	✓	✓	A, B-2	6
25	12500	PETTY CASH	11007	✓	✓	✓	✓	A, B-2	7
29	12524	PETTY CASH	5034	✓	✓	✓	✓	A, B-3	8
29	12526	CASH	40-	✓	✓	✓	✓	A, B-3	9
OCT 2	12563	PETTY CASH	4207	✓	✓	✓	✓	A, B-3	10
6	12572	CASH	45-	✓	✓	✓	✓	A, B-3	11
9	12585	PETTY CASH	9437	✓	✓	✓	✓	A, B-3	12
9	12586	PETTY CASH	6161	✓	✓	✓	✓	A, B-3	13
13	12613	CASH	45-	✓	✓	✓	✓	A, B-3	14
14	12640	CASH	50-	✓	✓	✓	✓	A, B-3	15
16	12634	PETTY CASH	5984	✓	✓	✓	✓	A, B-3	16
16	12635	PETTY CASH	8001	✓	✓	✓	✓	A, B-3	17
20	12654	CASH	45-	✓	✓	✓	✓	A, B-3	18
23	12666	PETTY CASH	9192	✓	✓	✓	✓	A, B-3	19
27	12685	CASH	45-	✓	✓	✓	✓	A, B-3	20
30	12699	PETTY CASH	14337	✓	✓	✓	✓	A, B-3	21
NOV 2	12715	PETTY CASH	10914	✓	✓	✓	✓	A, B-3	22
3	12722	CASH	55-	✓	✓	✓	✓	A, B-3	23
10	12756	CASH	55-	✓	✓	✓	✓	A, B-3	24
12	12758	PETTY CASH	6694	✓	✓	✓	✓	A, B-3	25
17	12777	CASH	45-	✓	✓	✓	✓	A, B-3	26
17	12791	PETTY CASH	15293	✓	✓	✓	✓	A, B-3	27
20	12816	PETTY CASH	4053	✓	✓	✓	✓	A, B-3	28
24	12824	CASH	45-	✓	✓	✓	✓	A, B-3	29
24	12826	PETTY CASH	5461	✓	✓	✓	✓	A, B-3	30
27	12849	PETTY CASH	2754	✓	✓	✓	✓	A, B-3	31
30	12861	PETTY CASH	11990	✓	✓	✓	✓	A, B-3	32
DEC 1	12867	CASH	45-	✓	✓	✓	✓	A, B-3	33
4	12881	CASH	4443	✓	✓	✓	✓	A, B-3	34
8	12903	CASH	49-	✓	✓	✓	✓	A, B-3	35
8	12906	CASH	8747	✓	✓	✓	✓	A, B-3	36
11	12913	CASH	1645	✓	✓	✓	✓	A, B-3	37
13	12940	CASH	2560	✓	✓	✓	✓	A, B-3	38
15	12948	CASH	50-	✓	✓	✓	✓	A, B-3	39

IRS EXAM 1961, 62, 63

"PETTY CASH"

Amount

SOURCES				EXHIBITS
3	SPIN	CHECK	STUBS	STUBS
✓	✓	✓		A, B-3
✓	✓	✓		A, B-3
✓	✓	✓		A, B-4
✓	✓	✓		A, B-4
3				
8				
✓				
6				
0	✓			A
✓	✓			A
✓	✓			A
✓	✓			A
✓	✓			A
✓	✓			A
✓	✓			A
5	✓	✓		A, B-1
✓	✓	✓		A, B-1
✓	✓	✓		A, B-1
✓	✓	✓		A, B-2
99	✓	✓		A, B-2
60	✓	✓		A, B-2
35	✓	✓		A, B-3
✓	✓	✓		A, B-3
✓	✓	✓		A, B-3
✓	✓	✓		A, B-3
79				
✓				
5				

SUB TOTAL

August 16 Jan 2011 ENTRY # 6 on 12/31/61

7 11 11 #19 12/31/61 CREDIT TO
50 CREDIT

SUB TOTAL "PETTY CASH"

"CASH & MISC."

JAN 11	11291	ALLIED AIR FRT
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14 11309 14 LOCAL CARTAGE COMM (1965)

23 11345 PURCHES SCALE CO. (OFF 1 HP)

31	11368	BILL KOLSKY
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FEB 27 11498 FEB 27 1951 PHILADELPHIA

27	11499	AIR FRI FORUM ORDER ASSN (UES)
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27	11503	NY AIRPORT IS INC (OVER)
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MIR 11544 CORDELLA (London)

30	11640	RIDDLE AIR LINES (EXCH)
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AIR 3	11669	CITIZEN AID SOCIETY
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AUG 8 12190 SCHOLES ST GARAGE (PKNS)

SEP 15	12443	B	GLORIA LYC
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18	12472	M. WONDELMAN
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27	12513	HAROLD L KLEINMAN
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NOV 7 12747 CHILDREN'S AID SOCIETY

12	12785	JNHAC CONTRIBUTION
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DEC 8	12902	VIFD RECORDS:
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SUB TOTAL "CASH + MISC"

TOTAL "ROAD EXPENSES, TOLLS, PARKING FEES" 935715

SAI CIRAMI
IRS LHM 1961, BY 63
NOTES AND PAPERS PREPARED FOR ATTORNEYS

Profit and Loss Statement after disallowances
for the Calendar year 1961, showing dollar amounts and percentages

	%	
Income - Trucking	100.0	179,058.3
Income - Interest		505.3
		<u>179,563.6</u>
Salaries and Wages		8930.00
Rent		1185.00
Interest and bank charges		655.71
Taxes - Payroll		517.45
Depreciation ^{TRUCK & AUTO} 8684- ^{PLANT & ETC} 3748-		7508.13
Insurance		3477.57
Legal and Professional		2175.00
Welfare & Pension		597.68
Transportation Expense		5047.00
Telephone		3363.94
Utilities		1746.00
Advertising		6097.30
Stationery & Printing		1559.18
Union dues		1216.50
Licenses & Permits		244.50
Alarm & Protection		413.00
Post & Express, Filing, Bankery Fees		4437.75
Damage Claims		1093.48
Total Deductions	44.7	<u>34,017.44</u>
Net Profit	75.3	<u>99,536.11</u>

Photo of Photo
Per Return
Additional income & disallowance deduction 46,175.8
Net Profit after Audit 99,536.11

NOTE: NO OWNERSHIP IN TRUCKS FOR DEPRECIATION SCHEDULE, SCHEDULE ONLY
SINCE 8684 WHICH WAS AUTOMOBILE USED IN BUSINESS
THIS BUSINESS COULD NOT OPERATE WITHOUT DRIVERS OR TRUCK RENTAL
ON 8930 OF SALARIES EVIDENTLY ON DISPATCHING OF TRUCKS

EXHIBIT A-1

1962

B-571 SAIL CIRAOI

IRS EXAM 1961, 1962, 1963

IRS EXAM 1961, 1962, 1963
INVESTIGATION OF "TRUCK RENTAL" SUPPORTING SCHEDULE
1964

[illegible][illegible]

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Amount

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SOURCES: C.D. JAIL
CIRCA 5:00 PM
WORK SHEET
EXHIBIT: A, B-5

SAL CIRCA
195. EXHIBIT: 17
INVESTIGATION OF JAIL RENTALS SUMMER 1963
1964

DATE	PAY TO	CK #	P. RINCOL	L. CUELLA	T. KAHN	M. SINGARU	F. MULLIGH	J. DEMAND	H. STRASSER	T. VESALE	F. DEMAND	J. DEMAND	INTEREST	DATES	BAILEY	BURROUGHS	CONLESSO	H. HARRIS	D. BEARD	G. THASMAN	F. RUSO	L. DISTANCE	R. WALKER	J. DIPALO	E. REYNOLDS	J. MEERS	AMOUNT
APR 2			110-	40-	105-		44-	105-		8-	130-			138-				90-				80-		18.60		30-	
3			110-				44-	105-		16.50	125-			50-	25-	19.40		51-	105-		42-	60-		1050.		37.40	
5			110-					100-																			
9			110-					100-		10-	120-	11.25		13760	15-	11.00		73-	115-		105-	96-				37.40	4092
11	CLERK TRUCK LEAS	13611	110-					100-		10-	120-	11.25		15-		76-		51-	115-	20-		85-	48-			37.40	
13			110-					100-		14-	120-	85-		11750	7-			51-	115-	20-		85-	48-			37.40	
21			115-					110-		12-	120-	130-		115-	10-		16-	125-	5-		95-	85-			37.40		
30	CLERK TRUCK LEAS	13734																									1227
30	THE HERTZ CORP	13735																									29004
APR TOTAL	5618.89		555-	40-	105-		88-	585-		70.50	840-	576.25		50-	548-	516.185-	16-	265-	460-	25-	147-	136-	133-	29-	150-	30-	45364
MAY 4											50-			20-		85-		23-							10-		
5	CLERK TRUCK LEAS	13768	115-			20-	125-	115-	30-	1150	115-	60-		109-	18.50							61-	90-				4670
5	V SOTO										50-	53.40				85-											34-
7	HERTZ CORP	13797	115-				115-	110-		1350	100-			105-	12-	85-						72-	40-				1760
14	M. McALLISTER											55-										15-					1760
18								90-	130-		9-	135-		80-	6-	85-						70-	70-				
21			115-								130-	48-															
26			136-				140-	110-			125-			145-		85-						95-	90-		10-		28-
27	E. PESALE																										15646
28	HERTZ CORP	13744																									
MAY TOTAL	4519.58		481-			20-	430-	465-	34-	34-	705-	216.25		459-	36.445-			23-				313-	340-		55-	3001	43482
JUNE 4											3750																
5	E. PESALE		115-				110-	126-			150-			115-		85-						90-	85-				40-
8								70-			25-	60-															
9			115-				115-	110-			110-			23-		85-						73-	68-		20-		
14	M. PESALE																			105-							35-
15	HERTZ CORP																										15696
16								70-			57-																
18	M. PESALE		140-		125-		115-	108-			135-					85-						55-	85-				35-
26	E. BERDASKY		145-		105-		115-	98-			135-	54.75				85-						64-	85-	85-			25-
28	M. PESALE										185-																35-
29	M. PESALE																										28-
29	M. PESALE										80-															20-	54-
29	CA BONO																										
JUNE TOTAL	4374.70		1475-		210-		455-	482-			740-	287.25		138-	343-					105-		64-	303-	373-		40-	40896

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EXHIBITS: A

IRS EXAM. 12-1-68
INVESTIGATION OF TRUCK RENTAL
12-1-68

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EXHIBITS: A.

IRS EXAM 1961, 1962, 1963
INVESTIGATION OF "TRUCK RENTAL" SUPPLYING SCHEDULE
1964

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TRUCK REPAIR

LEON JONES COMPANY

Q7204 GREEN

7204 BUFF

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A-120

IRS EXAM 1961, 62, 63
INVESTIGATION OF "REPAIRS" + MAINTENANCE OF TRUCKS (C.UT)
1964

TRUCK REPAIR

AMOUNT

DATE	CHK #	PAY TO	AMOUNT	POST	CHECK	SPR	STRET	
1962	BAL FWD		248173					
NOV 13	14755	ATLANTIC SPRING	13080					A
27	14822	TOM GEXBETH AUTO	100 -	✓				A
	14831	CUSTOM AUTO GLASS	91 -	✓				A
	14832	JACK AUTO	3457	✓				A
	14833	LI RED TRUCK	17595	✓				A
DEC 18	14933	PLYMOUTH S.S.	13188	✓				A
31	15010	B+S SPRING	8331	✓				A
	TOTAL		322924					
"GAS + OIL"								
FEB 1	13217	PLYMOUTH S.S.	2245	✓	✓			A B-4
7	13253	ARSONE OIL	5340	✓	✓			A B-4
MAR 7	13391	PLYMOUTH S.S.	8081	✓	✓			A B-4
7	1335	ARSONE OIL	5340	✓	✓			A B-4
APR 16	13225	PLYMOUTH S.S.	3641	✓	✓			A B-5
MAY 2	13746	PLYMOUTH S.S.	10857	✓	✓			A B-5
JUNE 21	14087	ARSONE OIL	10780	✓				A
SEP 4	14421	PLYMOUTH S.S.	5473	✓				A
NOV 14	14730	PLYMOUTH S.S.	9473	✓				A
	TOTAL GAS + OIL		62253					
"TIRES + TUBES"								
MAR 7	13406	NY GEN'L TIRE	13301	✓	✓			A B-4
APR 12	13650	NY GEN'L TIRE	16372	✓	✓			A B-5
JUNE 22	14035	TOM GEXBETH TIRE	1709	✓				A
JUL 2	14200	TOM GEXBETH TIRE	9 -	✓				A
23	14370	NY GEN'L TIRE	4693	✓				A
NOV 15	14766	NY GEN'L TIRE	13646	✓				A
	TOTAL "TIRES + TUBES"		56621					

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IRS EXAM 1961, 62, 63
INVESTIGATION OF "TRUCK REPAIRS - MAINTENANCE"
1962

"TRUCKING"

AMOUNT

DATE	CK #	PAY TO	AMOUNT	CD	JANL	CHECK	STUBS	WORK SHEET	
1 1962 JAN 17	1313	MEK - RY H. R. 1A1	20 -	✓	✓				A, B-4
3 MAR 3	1335E	J. ALEXANDER	40 -	✓	✓				A, B-4
5 AUG 17	14343	MEMPHIS	92.07	✓					A
7	TOTAL TRUCKING		148.97						
8									
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SQL CIRAM
IRS EXAM 1961, 62, 63
INVESTIGATION OF "TAX REPAIRS + MAINTENANCE"
1964

"LOADING CHARGES"

AMOUNT

DATE	CHK #	PAY TO	AMOUNT	COUPON	CHARGE	STAMP	REMARKS
1962	BAL FWD		118296				
MAY 10	13804	UNIVERSAL TERM	1052	✓	✓		A, B-5
	13805	INTL TERM	437	✓	✓		A, B-5
14	13819	WM. MCALLISTER	15-	✓	✓		A, B-5
18	13859	TURNLEY + BLANCHARD	1202	✓	✓		A, B-5
21	13882	PITTSBURGH STEVE	1242	✓	✓		A, B-5
23	13884	NORTHWEST MARINE	921	✓	✓		A, B-5
24	13885	ROWLAND + LIESEGANG	7245	✓	✓		A, B-5
	13887	TURNLEY + BLANCHARD	1298	✓	✓		A, B-5
JUNE 11	13970	UNIVERSAL TERM	812	✓	✓		A, B-5
	13992	NORTH AIRPORT	4-	✓	✓		A, B-5
20	13995	PITTSBURGH STEVE	1253	✓	✓		A, B-5
18	14017	SW MCGRATH	3820	✓	✓		A
27	14070	AMER. STEV	5326	✓	✓		A
	14071	S. P. HATFIELD	1524	✓	✓		A
29	14088	PIONEER TERM	3376	✓	✓		A
JULY 2	14093	CARL HILL	10-	✓	✓		A
10	14135	UNIVERSAL TERM	749	✓	✓		A
17	14151	SW MCGRATH	948	✓	✓		A
16	14157	PIER 8 TERMINAL	1783	✓	✓		A
	14168	PRESTON PROP	1411	✓	✓		A
18	14170	AMER. STEV	5309	✓	✓		A
19	14179	TURNLEY + BLANCHARD	4137	✓	✓		A
	14180	MARRA BROS	402	✓	✓		A
23	14193	AMER. STEV	891	✓	✓		A
30	14228	AMER. EXPRESS	118-	✓	✓		A
31	14243	PITTSBURGH STEV	925	✓	✓		A
AUG 2	14259	PITTSBURGH STEV	2024	✓	✓		A
10	14305	MANUEL STEVE	2070	✓	✓		A
14	14312	UNIVERSAL TERM	868	✓	✓		A
	14322	GRACE KINES	1053	✓	✓		A
16	14330	PITTSBURGH STEV	1212	✓	✓		A
17	14348	ROWLAND + LIESEGANG	8448	✓	✓		A
20	14365	INTL TERM	4316	✓	✓		A
27	14402	LOADING CHARGES	780	✓	✓		A
SEPT 3	14416	ROWLAND + LIESEGANG	3-	✓	✓		A

SAL CIRAMI
IRS EXAM 1961, 62, 63
INVESTIGATION OF "TRUCK REPAIRS + MAINTENANCE"
1964

"LOADING CHARGES"

AMOUNT

DATE	CHK #	PAY TO	AMOUNT	3	5	3	5
1962 JAN 2	13060	REX EXPRESS	287	✓	✓		A, B-4
"	4	13063	SW MCGRATH	7906	✓	✓	A, B-4
"	5	13066	PITTSBURGH STEV	1934	✓	✓	A, B-4
"	8	13093	ADD AIR FRT	374	✓	✓	A, B-4
"	18	13133	NORTHEAST MARINE TERM	3381	✓	✓	A, B-4
"	"	13138	ADD AIR FRT	2-	✓	✓	A, B-4
"	"	13146	ROWLAND LIESEBANG	17611	✓	✓	A, B-4
"	24	13175	UNIVERSAL TERMINAL	601	✓	✓	A, B-4
FEB 6	13236	NORTHEAST MARINE	902	✓	✓		A, B-4
MAR 5	13370	PIER 8 TERMINALS	1903	✓	✓		A, B-4
"	7	13397	SW MCGRATH	2280	✓	✓	A, B-4
"	"	13399	AMERICAN EXPRESS	8-	✓	✓	A, B-4
"	14	13450	G. ROWLAND	1350	✓	✓	A, B-4
"	"	13456	ROWLAND LIESEBANG	25985	✓	✓	A, B-4
"	16	13463	INTL TERM OPER	1035	✓	✓	A, B-4
"	"	13464	INTL TERM OPER	1689	✓	✓	A, B-4
"	30	13527	UNIV. TERM	3168	✓	✓	A, B-5
"	"	13529	PIONEER TERM	359	✓	✓	A, B-5
"	"	13533	AIRLINE EXPRESS	285	✓	✓	A, B-5
APR 4	13562	JOHN T. CLARK	14571	✓	✓		A, B-5
"	9	13598	AMEL. STEV	1738	✓	✓	A, B-5
"	"	13601	AMEL. STEV	3590	✓	✓	A, B-5
"	10	13609	JOHN W. MCGRATH	2094	✓	✓	A, B-5
"	16	13644	JOHN W. MCGRATH	3542	✓	✓	A, B-5
"	25	13691	INTL TERM OPER	35-	✓	✓	A, B-5
"	"	13692	SEA LAND SERV.	5115	✓	✓	A, B-5
"	26	13695	SW MCGRATH	16-	✓	✓	A, B-5
"	27	13699	PIER 8 TERM	2185	✓	✓	A, B-5
"	"	13711	INTL TERM OPER	672	✓	✓	A, B-5
MAY 4	13748	PIONEER TERM COOP	1769	✓	✓		A, B-5
"	"	13750	WM. MCALLISTER	25-	✓	✓	A, B-5
"	5	13766	INTL TERM	746	✓	✓	A, B-5
"	"	13780	AMEX PIER LINES	483	✓	✓	A, B-5
"	9	13793	MARINE C. OPER	14119	✓	✓	A, B-5
"	11	13796	INTL TERM OPER	652	✓	✓	A, B-5
"	9	13798	S. W. MCGRATH	640	✓	✓	A, B-5

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SAL CIRAMI
IRS EXAM 1961, 62, 63
INVESTIGATION OF "TRUCK REPAIRS + MAINTENANCE"
1961

"LOADING CHARGES"

AMOUNT

3				4	
EXHIBITS				EXHIBITS	
DATE	CH #	PAY TO	AMOUNT	EXHIBIT	EXHIBIT
1962	BAL FWD		200730		
SEPT 3	14417	PITTSBURGH STEEL	1285	A	
14	14467	INTL TERM	568	A	
18	14491	AMEX EXP	1208	A	
19	14506	INTL TERM	254	A	
27	14532	INTL TERM	1550	A	
29	14539	INTL TERM	58	A	
OCT 24	14646	SEA LAND SERV	1693	A	
29	14674	INTL TERM	1265	A	
NOV 14	14757	INTL TERM	1109	A	
	14758	US LINES	386	A	
	14759	S W MCGRAW	265	A	
29	14842	CHELL TERM	1257	A	
	14843	PITTSBURGH STEEL	1223	A	
DEC 6	14869	ALLISON	1330	A	
	14870	ALLISON	887	A	
31	15011	AMEX EXP	1615	A	
TOTAL LOADING CHARGES			217206		

SUMMARY

TRUCK REPAIR 3447.11
GAS & OIL 674.76
TUBES & TUBES 101.11
TRUCKING 14897
LOADING CHARGES 217206

SUB TOTAL 667924

ADD L SUM CHARGES TO BE PAID 51331

TOTAL PER TAX RETURN 719255

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SAL CIRANI

IRS EXAM 1961, 62, 63

INVESTIGATION OF "ROAD EXPENSE, TOLLS, PARKING FEE, (CONT.)"

"PETTY CASH" COL 7				AMOUNT	SOURCE				EXHIBIT	
DATE	CK #	PAY TO			CASH	CHQ	DD	CR		
1962 JAN 3	13059	CASH		4007	✓	✓			A, B-4	1
5	13068	CASH		45-	✓	✓			A, B-4	2
8	13082	CASH		8651	✓	✓			A, B-4	3
12	13101	CASH		5699	✓	✓			A, B-4	4
	13102	CASH		45-	✓	✓			A, B-4	5
17	13133	CASH		14657	✓	✓			A, B-4	6
19	13153	CASH		45-	✓	✓			A, B-4	7
22	13167	CASH		2255	✓	✓			A, B-4	8
26	13179	CASH		45-	✓	✓			A, B-4	9
29	13200	CASH		10523	✓	✓			A, B-4	10
FEB 2	13220	CASH		49-	✓	✓			A, B-4	12
5	13235	CASH		7831	✓	✓			A, B-4	13
7	13259	CASH		50-	✓	✓			A, B-4	14
13	13280	CASH		7926	✓	✓			A, B-4	15
16	13291	CASH		47-	✓	✓			A, B-4	16
19	13299	PETTY CASH		83-	✓	✓			A, B-4	17
20	13310	CASH		45-	✓	✓			A, B-4	18
26	13326	CASH		8602	✓	✓			A, B-4	19
MAR 2	13351	CASH		45-	✓	✓			A, B-4	21
5	13361	CASH		9392	✓	✓			A, B-4	22
9	13413	CASH		45-	✓	✓			A, B-4	23
13	13433	CASH		7209	✓	✓			A, B-4	24
	13434	CASH		5934	✓	✓			A, B-4	25
16	13462	CASH		45-	✓	✓			A, B-4	26
19	13473	CASH		14471	✓	✓			A, B-4	27
	13488	S. CAMARDA		10-	✓	✓			A, B-4	28
23	13499	CASH		45-	✓	✓			A, B-4	29
27	13522	CASH		20-	✓	✓			A, B-5	30
APR 2	13543	PETTY CASH		8268	✓	✓			A, B-5	32
5	13567	PETTY CASH		6533	✓	✓			A, B-5	33
9	13600	PETTY CASH		1475	✓	✓			A, B-5	34
	13608	S. CAMARDA		10-	✓	✓			A, B-5	35
11	13618	PETTY CASH		7566	✓	✓			A, B-5	36
16	13628	PETTY CASH		5290	✓	✓			A, B-5	37
20	13669	PETTY CASH		5030	✓	✓			A, B-5	38
25	13694	PETTY CASH		3859	✓	✓			A, B-5	39
	13706	PETTY CASH		2115	✓	✓			A, B-5	40

SAL CIRAM!

1125 EXAM 1961, 62, 63

INVESTIGATION OF "ROAD EXPENSES, TOLLS, PARKING FEE" (CONT)

"PETTY CASH" COL 7

AMOUNT

" PETTY CASH " COL 7				AMOUNT		3 SOURCES				4 EXHIBITS	
DATE	CHK #	PAY TO				9	10	11	12		
1962		BAL FWD		218020							
MAY 2	13740	PETTY CASH		5683	✓	✓				A, B-5	
7	13791	PETTY CASH		4730	✓	✓				A, B-5	
11	13807	PETTY CASH		115.50	✓	✓				A, B-5	
15	13831	PETTY CASH		3055	✓	✓				A, B-5	
18	13857	PETTY CASH		2888	✓	✓				A, B-5	
21	13863	PETTY CASH		2159	✓	✓				A, B-5	
20	13880	SAL CIRAMI		50-	✓	✓				A, B-5	
	13881	PETTY CASH		11430	✓	✓				A, B-5	
28	13907	PETTY CASH		2587	✓	✓				A, B-5	
JUNE 1	13927	PETTY CASH		1525	✓	✓				A, B-5	
4	13934	CASH		50-	✓	✓				A, B-5	
5	13945	PETTY CASH		2705	✓	✓				A, B-5	
8	13964	PETTY CASH		2380	✓	✓				A, B-5	
	13967	PETTY CASH		13663	✓	✓				A, B-5	
	13975	PETTY CASH		1190	✓	✓				A, B-5	
	13976	PETTY CASH		8217	✓	✓				A, B-5	
15	14009	PETTY CASH		6712	✓	✓				A, B-5	
18	14016	CASH		300-	✓	✓				A	
	14020	PETTY CASH		55-	✓	✓				A	
	14021	PETTY CASH		2126	✓	✓				A	
21	14043	PETTY CASH		2928	✓	✓				A	
25	14055	PETTY CASH		3595	✓	✓				A	
26	14058	S. CAMARDA		10-	✓	✓				A	
JULY 2	14099	S. CAMARDA		10-	✓	✓				A	
	14100	CASH		25-	✓	✓				A	
	14108	PETTY CASH		11085	✓	✓				A	
6	14118	PETTY CASH		12681	✓	✓				A	
9	14134	SAL CIRAMI		50-	✓	✓				A	
10	14136	PETTY CASH		4668	✓	✓				A	
17	14153	PETTY CASH		4908	✓	✓				A	
20	14186	PETTY CASH		6566	✓	✓				A	
24	14205	S. CIRAMI		5972	✓	✓				A	
26	14210	PETTY CASH		3672	✓	✓				A	
31	14246	PETTY CASH		6578	✓	✓				A	
AUG 7	14287	PETTY CASH		5344	✓	✓				A	
10	14303	PETTY CASH		4795	✓	✓				A	
14	14313	S. CIRAMI		50-	✓	✓				A	

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SAL CIRAMI
IRS EXAM 1961, 62, 63
INVESTIGATION OF "ROAD EXPENSES", TOLLS, PARKING FEES, (CASH)

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PETTY CASH COL 7				SOURCE				EVIDENCE			
DATE	CHK #	PAY TO	AMOUNT	9	10	11	12	13	14	15	16
1962	BAL FWD		4324.40								
AUG 16	14333	PETTY CASH	72.94	✓					A		
20	14361	S. CIRAMI	50.-	✓					A		
22	14369	PETTY CASH	64.07	✓					A		
27	14390	PETTY CASH	442.9	✓					A		
SEPT 4	14420	PETTY CASH	70.15	✓					A		
10	14451	S. CIRAMI	50.-	✓					A		
10	14454	PETTY CASH	35.13	✓					A		
13	14465	PETTY CASH	32.03	✓					A		
24	14514	PETTY CASH	87.15						A		
OCT 1	14549	PETTY CASH	60.36	✓					A		
9	14571	PETTY CASH	60.22	✓					A		
15	14598	PETTY CASH	40.90	✓					A		
22	14630	PETTY CASH	68.25	✓					A		
29	14651	PETTY CASH	48.30	✓					A		
NOV 2	14684	PETTY CASH	86.24	✓					A		
9	14725	PETTY CASH	56.55	✓					A		
14	14756	PETTY CASH	36.90	✓					A		
16	14763	PETTY CASH	31.56	✓					A		
26	14801	PETTY CASH	58.93	✓					A		
DEC 3	14849	PETTY CASH	161.88	✓					A		
6	14870	PETTY CASH	42.83	✓					A		
	14877	PETTY CASH	25.20	✓					A		
13	14905	PETTY CASH	29.05	✓					A		
17	14913	PETTY CASH	83.34	✓					A		
20	14950	PETTY CASH	41.30	✓					A		
21	14954	PETTY CASH	34.83	✓					A		
31	14984	PETTY CASH	13.85	✓					A		
	14985	PETTY CASH	58.09	✓					A		
TOTAL PETTY CASH			5868.74								
DIFF IN JAN - ERROR IN TRSFRING COL			116.45								
TOTAL PER CO SUMMARY			5985.19								
ADDITIONAL SUMS CHARGED TO											
ROAD EXPENSES - SOURCE TO BE TRACED			3140.-								
TOTAL PER TAX RETURN			9105.19								
DISALLOWED			5740.-								
AMOUNT ALLOWED			3365.19								

SAL LIPMAN
IRS EXAM 1961, 62 & 63
INVESTIGATION OF "TRAVEL & ENTERTAINMENT"

"TRAVEL & ENTERTAINMENT"					SOURCES				EXHIBITS
1962	DATE	CK #	PAY TO	AMOUNT	SA	CHECK	STUBS	WEEKLY SHEET	
	JAN 18	13134	INT'L HOTEL	1575	✓	✓			A, B-4
	MAR 7	13405	INT'L HOTEL	3165	✓	✓			A, B-4
	APR 10	13576	DINERS CLUB	8-	✓	✓			A, B-5
	9	13599	HOTEL NEW YORKER	945	✓	✓			A, B-5
	MAY 1	13738	INT'L HOTEL	6195	✓	✓			A, B-5
	4	13763	NAT SHERMAN CO.	6675	✓	✓			A, B-5
	16	13825	INT'L HOTEL	5465	✓	✓			A, B-5
	24	13888	INT'L HOTEL	5335	✓	✓			A, B-5
	28	13914	EASTERN AIRLINES	18216	✓	✓			A, B-5
	JUNE 6	13953	INT'L HOTEL	1432	✓	✓			A, B-5
	JULY 30	14446	DINERS CLUB	12-	✓				A
	AUG 2	14251	NAT SHERMAN	9573	✓				A
	2	14263	INT'L HOTEL	7495	✓				A
	24	14381	INT'L HOTEL	6840	✓				A
	25	14388	TWA	3192	✓				A
	SEP 18	14489	HOTEL NEW YORK	1313	✓				A
	18	14492	DINERS CLUB	1680	✓				A
	18	14497	NAT SHERMAN CO	11055	✓				A
	OCT 5	14565	INT'L HOTEL	1575	✓				A
	10	14590	NAT SHERMAN CO	44-	✓				A
	12	14618	DINERS CLUB	1228	✓				A
	DEC 31	15016	INT'L HOTEL	2770	✓				A
	TOTAL TRAVEL & ENTERTAINMENT			130852					
	"ENTERTAINMENT - XMAS"								
	JAN 18	13137	GERSON GOLD CATERING	135-	✓	✓			A, B-4
	DEC 14	14907	F. MORRISON - LIQUOR	200-	✓				A
	TOTAL "ENTERTAINMENT - XMAS"			335-					A
	ADD'L SUMS CHARGED TO BE TRACED			71134					
	TOTAL PER TAX RETURN			235486					

SAC, CINCINNATI
IRS EXAM 1701, 62, 170
INVESTIGATION OF "COMMISSIONS"

"COMMISSIONS"				AMOUNT	SOURCES				EXHIBITS
1962	DATE	CK #	PAY TO		CD	TRNL	CHECK	STUB	
1									
2	JAN 10	13123	D. SURHO	15-	✓	✓			A, B-4
3									
4	FEB 14	13287	D. SURHO	15-	✓	✓			A, B-4
5	27	13341	M. SURHO	47.25	✓	✓			A, B-4
6									
7	MAR 2	13352	D. SURHO	23.25	✓	✓			A, B-4
8	7	13411	D. SURHO	23.25	✓	✓			A, B-4
9	10	13423	D. SURHO	24-	✓	✓			A, B-4
10	20	13493	D. SURHO	39-	✓	✓			A, B-4
11	29	13531	D. SURHO	10-	✓	✓			A, B-5
12									
13	APR 3	13556	D. SURHO	47.75	✓	✓			A, B-5
14	6	13571	D. SURHO	20-	✓	✓			A, B-5
15	9	13590	D. SURHO	32.50	✓	✓			A, B-5
16	13	13644	D. SURHO	70-	✓	✓			A, B-5
17	20	13670	D. SURHO	75-	✓	✓			A, B-5
18	27	13707	D. SURHO	30-	✓	✓			A, B-5
19	30	13726	D. SURHO	33-	✓	✓			A, B-5
20									
21	MAY 4	13759	D. SURHO	50-	✓	✓			A, B-5
22	5	13782	D. SURHO	64.75	✓	✓			A, B-5
23	11	13814	D. SURHO	40-	✓	✓			A, B-5
24	20	13871	D. SURHO	17.75	✓	✓			A, B-5
25	28	13909	D. SURHO	38.75	✓	✓			A, B-5
26									
27	JUNE 5	13946	D. SURHO	32.13	✓	✓			A, B-5
28	11	13985	D. SURHO	8.50	✓	✓			A, B-5
29	18	14028	D. SURHO	7.45	✓				A
30	26	14066	D. SURHO	15.50	✓				A
31									
32	JULY 2	14105	D. SURHO	17.50	✓				A
33	31	14248	D. SURHO	10-	✓				A
34									
35	AUG 2	14257	D. SURHO	10-	✓				A
36	3	14266	D. SURHO	25-	✓				A
37	7	14288	D. SURHO	10-	✓				A
38	10	14308	D. SURHO	72.25	✓				A
39	18	14351	D. SURHO	60-	✓				A
40	24	14384	D. SURHO	70-	✓				A

SAC CIRA.
IRS EXAM 1961, 62, 63
INVESTIGATION OF "COMMISSIONS"

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"COMMISSIONS" (CONT)					SOURCES				EXHIBITS	
1962	DATE	CK #	PAY TO	AMOUNT	CD	JANL	CHECK	STUBS	WORK SHEET	
			BAL FWD	105458						
	AUG 31	14413	D. SURHO	90 -	✓					A
	SEP 10	14447	D. SURHO	6975	✓					A
	17	14484	D. SURHO	25 -	✓					A
	24	14524	D. SURHO	8 -	✓					A
	OCT 1	14596	D. SURHO	15 -	✓					A
	9	14580	D. SURHO	2769	✓					A
	15	14609	D. SURHO	15 -	✓					A
	22	14643	D. SURHO	35 -	✓					A
	29	14662	S. GERSHAK	58 -	✓					A
	29	14664	D. SURHO	51 -	✓					A
	29	14666	C. VELA	30 -	✓					A
	NOV 13	14744	D. SURHO	55 -	✓					A
	19	14781	D. SURHO	28 -	✓					A
	19	14784	S. NEWHALL	47 -	✓					A
	21	14797	D. SURHO	10 -	✓					A
	27	14812	S. NEWHALL	45 -	✓					A
	27	14813	D. SURHO	29 -	✓					A
TOTAL "COMMISSIONS"				169302						

EXHIBIT A-1

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IRS EXAM 1961, 62, 63

INVESTIGATION OF "TRUCK EXPENSES"

1963

CARTAGE			AMOUNT	SOURCE				EXHIBITS	
DATE	CK #	PAY TO		CO	JRNL	CHECK	STUBS	WORK SHEET	
1963 JAN 4	15027		35-	✓					1
	15028		40-	✓					2
	15029		75-	✓					3
	15031		30-	✓					4
	15037		25-	✓					5
8	15041		135-	✓					6
	15043		162-	✓					7
	15044		100-	✓					8
	15045		108-	✓					9
	15046		38-	✓					10
	15049		95-	✓					11
	15050		32-	✓					12
11	15061		85-	✓					13
	15062		40-	✓					14
	15063		40-	✓					15
14	15078		94-	✓					16
15	15079		90-	✓					17
	15080		30-	✓					18
	15081		135-	✓					19
	2		80-	✓					20
	3		162-	✓					21
	4		86-	✓					22
	5		50-	✓					23
	6		90-	✓					24
	7		16-	✓					25
	8		16-	✓					26
	15089		15-	✓					27
18	15111		90-	✓					28
	15114		40-	✓					29
	15115		50-	✓					30
	6		70-	✓					31
	15118		166.40	✓					32
	15120		150-	✓					33
	1		162-	✓					34
	2		145-	✓					35
	3		138-	✓					36
	4		110-	✓					37
	5		45-	✓					38
	6		130-	✓					39
	15127		69-	✓					40

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SAL CIRAMI

IRS EXAM 1961, 62, 63

INVESTIGATION OF "TRUCK EXPENSES"
1963

CASH			AMOUNT	SOURCES					EXHIBITS
DATE	CHK #	PAY TO		CO	TRNL	CHECK	SUBS	WORK SHEET	
	BAL FWD		384.940						
1	15128		6-	✓					A
2	9		64-	✓					A
3	15130		16-	✓					A
4	15138		32-	✓					A
5	15156		40-	✓					A
6	7		40-	✓					A
7	15159		80-	✓					A
8	15161		45-	✓					A
9	15165		75-	✓					A
10	15166		145-	✓					A
11	15186		50-	✓					A
12	7		2-	✓					A
13	15192		98-	✓					A
14	3		145-	✓					A
15	4		162-	✓					A
16	5		100-	✓					A
17	6		135-	✓					A
18	7		82-	✓					A
19	8		80-	✓					A
20	9		40-	✓					A
21	15200		40-	✓					A
22	1		90-	✓					A
23	2		120-	✓					A
24	15217		80-	✓					A
25	8		80-	✓					A
26	15220		16-	✓					A
27	15227		90-	✓					A
28	15230		37-	✓					A
29	15232		85-	✓					A
30	15235		162-	✓					A
31	6		25-	✓					A
32	7		65-	✓					A
33	8		120-	✓					A
34	9		74-	✓					A
35	15240		16-	✓					A
36	15249		150-	✓					A
37	15275		45-	✓					A
38	15277		65-	✓					A
39	15278		145-	✓					A
40									

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SAL CIRAMI

IRS EXAM 1961, 62, 63

INVESTIGATION OF TRUCK EXPENSES
1963

CARRIAGE				AMOUNT	SOURCES				EXHIBITS
DATE	CK IF	PAY TO	CD		JRNL	CHECK	STUBS	WORK SHEET	
1963	BAL FWD			623040					
FEB 18	15279			140-	✓				A
	15280			70-	✓				A
	1			90-	✓				A
	2			100-	✓				A
	3			64-	✓				A
	4			92-	✓				A
	5			85-	✓				A
21	15291			15-	✓				A
24	15296			80-	✓				A
	7			80-	✓				A
	8			16-	✓				A
	15300			115-	✓				A
	1			80-	✓				A
	2			72-	✓				A
	3			184-	✓				A
	4			140-	✓				A
	5			85-	✓				A
27	15320			45-	✓				A
	1			45-	✓				A
	15323			17-	✓				A
MAR 1	15330			25-	✓				A
	15334			145-	✓				A
5	5			162-	✓				A
	6			70-	✓				A
	15338			80-	✓				A
	9			85-	✓				A
	15341			15-	✓				A
	15343			60-	✓				A
	4			85-	✓				A
	5			36-	✓				A
	6			36-	✓				A
	15351			120-	✓				A
	15365			145-	✓				A
	6			140-	✓				A
	7			115-	✓				A
	8			105-	✓				A
	9			50-	✓				A
	15370			85-	✓				A
	15371			85-	✓				A

MADE IN U.S.A.

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SAC CINCINNATI
IRS EXAM 1961, 62, 63
INVESTIGATION OF TRUCK EXPENSES
1963

CARTAGE				AMOUNT	SOURCE				EXHIBITS			
DATE	CHK #	PAY TO			CD	JRNL	CHECK	STUBS	WORK SHEET			
1963	BAL FWD			948940								
MAR 11	15372			34-	✓					A		
	3			85-	✓					A		
	4			10-	✓					A		
	15377			65-	✓					A		
	15379			45-	✓					A		
15	15388			125-	✓					A		
18	15394			100-	✓					A		
	15396			50-	✓					A		
	15398			35-	✓					A		
	15399			162-	✓					A		
	15400			115-	✓					A		
	1			90-	✓					A		
	2			60-	✓					A		
	3			95-	✓					A		
	4			90-	✓					A		
	5			68-	✓					A		
	6			15-	✓					A		
	7			20-	✓					A		
	15414			17-	✓					A		
19	15415			10-	✓					A		
21	15418			1950	✓					A		
26	15423			145-	✓					A		
	4			140-	✓					A		
	5			115-	✓					A		
	6			100-	✓					A		
	7			50-	✓					A		
	8			90-	✓					A		
	9			90-	✓					A		
	15430			17-	✓					A		
	15432			70-	✓					A		
	15435			50-	✓					A		
	15439			15-	✓					A		
	15442			35-	✓					A		
APR 2	15451			45-	✓					A		
	15453			150-	✓					A		
	4			110-	✓					A		
	5			162-	✓					A		
	6			95-	✓					A		
	15457			50-	✓					A		

SAL CIRCULAR
IRS EXAM 1961, 62, 63
INVESTIGATION OF "TRUCK LICENSES"
1963

CARTAGE				AMOUNT	SOURCE				EXHIBITS	
DATE	CLIFF	PAY TO			CD	JANL	CHECK	STUBS	WORK SHEET	
1963	BAL FWD			12328 90						
APR 2	15458			90-	✓					A
	9			50-	✓					A
	15460			95-	✓					A
	1			60-	✓					A
	2			45-	✓					A
	3			10-	✓					A
	15466			18-	✓					A
8	15489			145-	✓					A
	15490			140-	✓					A
	1			95-	✓					A
	2			70-	✓					A
	3			115-	✓					A
	4			50-	✓					A
	5			50-	✓					A
	6			90-	✓					A
	7			80-	✓					A
	8			90-	✓					A
	9			75-	✓					A
12	15514			145-	✓					A
15	15516			50-	✓					A
	7			162-	✓					A
	8	L. ERHEN		95-	✓		✓			A, B-9
	9	J. BATES		60-	✓		✓			A, B-9
	15520	S. LOWRY		50-	✓		✓			A, B-9
	1	B. RINEARS		90-	✓		✓			A, B-9
	2	T. HILER		80-	✓		✓			A, B-9
	3	C. ALEWINE		90-	✓		✓			A, B-9
	4	P. MINTON		115-	✓		✓			A, B-9
	5	R. NORISZAN		75-	✓		✓			A, B-9
19	15546	H. BERKOWSKY		100-	✓		✓			A, B-9
20	15548	J. CIRAMI		50-	✓		✓			A, B-9
23	9	H. BERKOWSKY		145-	✓		✓			A, B-9
	15550	S. BERKOWSKY		135-	✓		✓			A, B-9
	1	P. MINTON		120-	✓		✓			A, B-9
	2	C. ALEWINE		95-	✓		✓			A, B-9
	3	L. ERHEN		95-	✓		✓			A, B-9
	4	B. RIVERS		90-	✓		✓			A, B-9
	5	R. NORISZAN		75-	✓		✓			A, B-9
	15556	T. HILER		80-	✓		✓			A, B-9

SAL CIRAMI
IRS CTAM 1961, 62, 63
INVESTIGATION OF "TRUCK" EXPENSES
1963

CARRIAGE				AMOUNT	SOURCES				EXHIBITS
DATE	CK #	PAY TO	CD		JANL	CHECK	STUBS	WORK SHEET	
	BAL FWD			1569390					
APR 23	15560	S. LOWRY		34-	✓	✓			A, B-9
	1	J BATES		60-	✓	✓			A, B-9
	15563	B. F. HAYES		65-	✓	✓			A, B-9
	15568	J. CIRAMI		50-	✓	✓			A, B-9
29	15574	H BERKOFISKY		145-	✓	✓			A, B-9
	5	A BERKOFISKY		135-	✓	✓			A, B-9
	6	P. MINTON		115-	✓	✓			A, B-9
	7	C. ALEWINE		95-	✓	✓			A, B-9
	8	L. ERHEN		95-	✓	✓			A, B-9
	9	B. RIVERS		95-	✓	✓			A, B-9
	15580	J BATES		7750	✓	✓			A, B-9
	1	R. NORIZON		75-	✓	✓			A, B-9
	2	T. HILER		80-	✓	✓			A, B-9
	3	K. MITCHELL		2150	✓	✓			A, B-9
MAY 2	15615	J. ALERS		25-	✓	✓			A, B-9
H	15617	J CIRAMI		50-	✓	✓			A, B-9
L	15621	H. BERKOFISKY		145-	✓	✓			A, B-9
	2	S. BERKOFISKY		135-	✓	✓			A, B-9
	3	P. MINTON		115-	✓	✓			A, B-9
	4	C. ALEWINE		100-	✓	✓			A, B-9
	5	L. ERHEN		95-	✓	✓			A, B-9
	6	B. RIVERS		95-	✓	✓			A, B-9
	7	J BATES		85-	✓	✓			A, B-9
	8	R. NORIZON		85-	✓	✓			A, B-9
	9	T. HILER		80-	✓	✓			A, B-9
	15630	K. MITCHELL		1125	✓	✓			A, B-9
13	15641	H. BERKOFISKY		160-	✓	✓			A, B-9
	2	S. BERKOFISKY		135-	✓	✓			A, B-9
	3	P. MINTON		115-	✓	✓			A, B-9
	4	C. ALEWINE		76-	✓	✓			A, B-9
	5	L. ERHEN		95-	✓	✓			A, B-9
	6	B. RIVERS		95-	✓	✓			A, B-9
	7	T. HILER		80-	✓	✓			A, B-9
	8	R. NORIZON		75-	✓	✓			A, B-9
	9	J BATES		70-	✓	✓			A, B-9
18	15673	J CIRAMI		50-	✓	✓			A, B-9
	15677	H. BERKOFISKY		145-	✓	✓			A, B-9
	8	S. BERKOFISKY		135-	✓	✓			A, B-9
	15679	P. MINTON		125-	✓	✓			A, B-9

SAL CIRAMI
IRS EXAM 1961, 62, 63
INVESTIGATION OF "TRUCK EXPENSES"
1963

CARTAGE				AMOUNT	SOURCES				EXHIBITS
DATE	CK #	PAY TO			CD	JANL	CHECK	STUBS	WORK SHEET
		DAL FWD		1921415					
MAY 20	15680	C ALEWINE		100-	✓	✓	✓	✓	A, B-9
	1	L ERHEN		100-	✓	✓	✓	✓	A, B-9
	2	B. RIVERS		100-	✓	✓	✓	✓	A, B-9
	3	J. BATES		70-	✓	✓	✓	✓	A, B-9
	4	T. HILER		80-	✓	✓	✓	✓	A, B-9
	5	R. NORIZON		75-	✓	✓	✓	✓	A, B-9
	15693	J. CIRAMI		50-	✓	✓	✓	✓	A, B-9
	4	F. LA SOLA		75-	✓	✓	✓	✓	A, B-9
27	15704	H. BERKOFISKY		145-	✓	✓	✓	✓	A, B-9
	5	S. BERKOFISKY		135-	✓	✓	✓	✓	A, B-9
	6	P. MINTON		115-	✓	✓	✓	✓	A, B-9
	7	C. ALEWINE		100-	✓	✓	✓	✓	A, B-9
	8	L. ERHEN		100-	✓	✓	✓	✓	A, B-9
	9	B. RIVERS		100-	✓	✓	✓	✓	A, B-9
	15710	J. BATES		70-	✓	✓	✓	✓	A, B-9
	1	T. HILER		80-	✓	✓	✓	✓	A, B-9
	2	R. NORIZON		80-	✓	✓	✓	✓	A, B-9
JUNE 1	15733	J. CIRAMI		50-	✓	✓	✓	✓	A, B-9
	15735	F. LA SOLA		75-	✓	✓	✓	✓	A, B-9
	3	15743	H. BERKOFISKY	160-	✓	✓	✓	✓	A, B-9
	4	S. BERKOFISKY		135-	✓	✓	✓	✓	A, B-9
	5	P. MINTON		120-	✓	✓	✓	✓	A, B-9
	6	C. ALEWINE		105-	✓	✓	✓	✓	A, B-9
	7	L. ERHEN		100-	✓	✓	✓	✓	A, B-9
	8	B. RIVERS		100-	✓	✓	✓	✓	A, B-9
	9	T. HILER		64-	✓	✓	✓	✓	A, B-9
	15750	R. NORIZON		80-	✓	✓	✓	✓	A, B-9
	1	A. SCHWARTZ		30-	✓	✓	✓	✓	A, B-9
	15753	J. BATES		110-	✓	✓	✓	✓	A, B-9
	8	15768	J. CIRAMI	50-	✓	✓	✓	✓	A, B-9
	15784	H. BERKOFISKY		160-	✓	✓	✓	✓	A, B-9
	5	S. BERKOFISKY		160-	✓	✓	✓	✓	A, B-9
	6	P. MINTON		130-	✓	✓	✓	✓	A, B-9
	7	C. ALEWINE		140-	✓	✓	✓	✓	A, B-9
	8	L. ERHEN		125-	✓	✓	✓	✓	A, B-9
	9	B. RIVERS		115-	✓	✓	✓	✓	A, B-9
	10	15790	J. BATES	160-	✓	✓	✓	✓	A, B-9
	1	T. HILER		99-	✓	✓	✓	✓	A, B-9
	15792	R. NORIZON		95-	✓	✓	✓	✓	A, B-9

SAL CIRAMI
IRS ETAM 1961, 62, 63
INVESTIGATION OF "TRUCK EXPENSES"
1963

CARRAGE				AMOUNT	SOURCE				EXHIBITS
DATE	CHK #	PAY TO	CO		JRNL	CHECK	STAMPS	WORK SHEET	
1963	BAL FWD			23148 15					
JUNE 10	15793	H SHAW		80-	✓	✓			A, B-9
	15814	F. LASALA		125-	✓	✓			A, B-9
	5	A. SCHWARTZ		85-	✓	✓			A, B-9
	15823	K. MITCHELL		65-	✓	✓			A, B-9
12	15827	R. RODRIGUEZ		9-	✓	✓			A, B-9
14	15833	C. NEUMAN		25-	✓	✓			A, B-9
	15837	A. COMMESSO		20-	✓	✓			A, B-9
	8	F. LASOLA		125-	✓	✓			A, B-9
	15841	J CIRAMI		50-	✓	✓			A, B-9
17	15850	S. BERKOWSKY		160-	✓	✓			A, B-9
	1	H. BERKOWSKY		190-	✓	✓			A, B-9
	2	P. MINTON		130-	✓	✓			A, B-9
	3	C. ALEWINE		115-	✓	✓			A, B-9
	4	L. ERHEN		130-	✓	✓			A, B-9
	5	B. RIVERS		125-	✓	✓			A, B-9
	6	J. BATES		135-	✓	✓			A, B-9
	7	A. SCHWARTZ		35-	✓	✓			A, B-9
	8	R. NORIZON		105-	✓	✓			A, B-9
	15860	T. HILER		105-	✓	✓			A, B-9
	1	H. ROBINSON		4218	✓	✓			A, B-9
	2	H. SHAW		5625	✓	✓			A, B-9
20	15908	LAPADULA AIR FRT		465	✓	✓			A, B-9
21	15913	J HAROLD STANLY		850	✓	✓			A, B-9
24	15919	H. ROBINSON		6438	✓	✓			A, B-9
	15920	R. NORIZON		105-	✓	✓			A, B-9
	1	T. HILLER		90-	✓	✓			A, B-9
	15923	A. SHAW		43-	✓	✓			A, B-9
	15924	C. SIEGEL		130-	✓	✓			A, B-9
	5	H. BERKOWSKY		200-	✓	✓			A, B-9
	6	S. BERKOWSKY		160-	✓	✓			A, B-9
	7	P. MINTON		130-	✓	✓			A, B-9
	8	C. ALEWINE		115-	✓	✓			A, B-9
	9	L. ERHEN		130-	✓	✓			A, B-9
	15930	B. RIVERS		125-	✓	✓			A, B-9
	1	J. BATES		135-	✓	✓			A, B-9
	2	J. CIRAMI		70-	✓	✓			A, B-9
	15962	F. LASOLA		125-	✓	✓			A, B-9
29	15980	J. CIRAMI		120-	✓	✓			A, B-9
	15981	F. LASOLA		125-	✓	✓			A, B-9

SAL CIRAMI

IRS' EXAM 1961, 62, 63

INVESTIGATION OF "TRUCK EXPENSES"

1963

10

CARTAGE				AMOUNT	SOURCES				EXHIBITS
DATE	CK #	PAY TO			CD	TRNL	CHECK	STUBS	WORK SHEET
1963	BAL FWD			26941 11					
SUVE 29	15982	A. SHAW		45 -	✓	✓	✓	✓	A, B-9
	3	H. ROBINSON		4445 -	✓	✓	✓	✓	A, B-9
	4	C. SIEGAL		75 -	✓	✓	✓	✓	A, B-9
	5	S. BERKOWSKY			✓	✓	✓	✓	A, B-9
	6	C. ALEWINE			✓	✓	✓	✓	A, B-9
	7	B. RIVERS			✓	✓	✓	✓	A, B-9
	8	H. BERKOWSKY		200 -	✓	✓	✓	✓	A, B-9
	9	HILLER		90 -	✓	✓	✓	✓	A, B-9
	15990	L. ERHEN		130 -	✓	✓	✓	✓	A, B-9
	1	P. MINTON		130 -	✓	✓	✓	✓	A, B-9
	2	R. NORRISON		95 -	✓	✓	✓	✓	A, B-9
	3	J. BATES		135 -	✓	✓	✓	✓	A, B-9
	15088			(16 -)	✓	✓	✓	✓	A
SUVE 28	15167			140 -	✓	✓	✓	✓	A
	8			125 -	✓	✓	✓	✓	A
	9			140 -	✓	✓	✓	✓	A
	15174			110 -	✓	✓	✓	✓	A
	5			95 -	✓	✓	✓	✓	A
	6			48 -	✓	✓	✓	✓	A
APR 5	15479			25 -	✓	✓	✓	✓	A
MAY 11	15638	J. CIRAMI		50 -	✓	✓	✓	✓	A, B-9
TOTAL "CARTAGE"				29028 06					

SAL CIRAMI
 12S EXAM 1961, 62, 63
 INVESTIGATION OF "TRUCK EXHIBITS"
 1963

TRUCK REPAIR				EXHIBITS			
DATE	CK #	PAY TO	MOULT	3	4	5	6
1 1963 JAN 3	15018		170-	✓			A
2	15019		5386	✓			A
3	15020		3162	✓			A
4	15022		5579	✓			A
5	15024		11834	✓			A
6	8 15039		3225	✓			A
7	9 15055		4380	✓			A
8	11 15067		18877	✓			A
9	18 15098		178-	✓			A
10	15117		8978	✓			A
11	23 15143		130-	✓			A
12	15144		2162	✓			A
13	15148		14846	✓			A
14	29 15177		115-	✓			A
15							
16	FEB 6 15216		22-	✓			A
17	15223		25204	✓			A
18	15 15265		8944	✓			A
19	15268		10276	✓			A
20							
21	MAR 8 15355		12526	✓			A
22	15356		1142	✓			A
23	15357		9797	✓			A
24	15412		14808	✓			A
25	15413		11629	✓			A
26							
27	APR 8 15481		13360	✓			A
28	17 15536	CHRISTIANSON & WEISS	3936	✓	✓		A, B-9
29	19 15543	NY GEN'L TIRE INC	20686	✓	✓		A, B-9
30	29 15590	LI RED TRUCK	2928	✓	✓		A, B-9
31	15591	ATLANTIC SERRING WHEEL	5580	✓	✓		A, B-9
32	15600	TOM GERANTY AUTO SERV	6-	✓	✓		A, B-9
33	15606	PENN AUTO RADIATOR WORKS	2350	✓	✓		A, B-9
34	15607	TOMANG TIRE CO	1058	✓	✓		A, B-9
35							
36	MAY 2 15608	PLYMOUTH SERV STA	17585	✓	✓		A, B-9
37	15610	TOMANG TIRE	709	✓	✓		A, B-9
38	31 15719	NY GEN'L TIRE	46243	✓	✓		A, B-9
39							
40	JUL 5 15762	TOMANG TIRE	4120	✓	✓		A, B-9

WILSON JONES COMPANY 67204 GREEN 1204 BUFF

SQL C12AM)

IRS ~~EXAM~~ 1961, 62, 63

INVESTIGATION OF "TRUCK EXPENSES"
1963

1963

LOADING CHARGES				AMOUNT	SOURCES				EXHIBITS
DATE	CK #	PAY TO			✓	✓	✓	✓	
1963 JAN 3	15025			2881	✓				A.
23	15145			430	✓				A
FEB 5	15206			1550	✓				A
6	15214			360	✓				A
13	15251			818	✓				A
14	2			1773	✓				A
25	15292			1337	✓				A
28	15307			885	✓				A
MAR 1	15325			1634	✓				A
11	15363			1608	✓				A
	4			439	✓				A
27	15438			342	✓				A
APR 5	15473			1874	✓				A
	15506			890	✓				A
	15510			16-	✓				A
17	15532	S.W.H. GRATH		250	✓	✓			A, B-9
MAY 3	15614	AMER. P.W.S. LINES		798	✓	✓			A, B-9
JUNE 14	15832	W.E. MARINE		1570	✓	✓			A, B-9
18	15859	INTL. TERM. OPER.		686	✓	✓			A, B-9
TOTAL LOADING CHARGES				✓1945					

SAL CIRRI
 ILS EXAM 1961, 62, 63
 INVESTIGATION OF "TRUCK EXPENSES"
 1963

PETTY CASH			EXPENSES				
DATE	CHK #	PAY TO	CD	TOTAL	CHECK	STUBS	WORK SHEET
1963 JAN 4	15033		✓	3718	✓		
	15038		✓	1173	✓		
11	15056		✓	1840	✓		
	15059		✓	3170	✓		
	15060		✓	10-	✓		
15	15091		✓	2655	✓		
18	15100		✓	2057	✓		
	15110		✓	15-	✓		
22	15137		✓	2185	✓		
	15153		✓	6498	✓		
	15158		✓	10-	✓		
FEB 1	15188		✓	6243	✓		
4	15207		✓	2685	✓		
11	15241		✓	3947	✓		
12	15248		✓	5759	✓		
15	15257		✓	2499	✓		
	15258		✓	5577	✓		
21	15290		✓	4415	✓		
25	15294		✓	1335	✓		
26	15306		✓	3976	✓		
MAR 1	15328		✓	4960	✓		
5	15348		✓	1537	✓		
	15350		✓	4591	✓		
8	15360		✓	2865	✓		
15	15386		✓	7726	✓		
25	15421		✓	7469	✓		
29	15447		✓	4583	✓		
APR 3	15471		✓	4136	✓		
5	15476		✓	4460	✓		
12	15511		✓	6343	✓		
19	15541	PETTY CASH	✓	3295	✓	✓	
26	15565	PETTY CASH	✓	1820	✓	✓	
29	15585	PETTY CASH	✓	4564	✓	✓	
MAY 2	15611	PETTY CASH	✓	2016	✓	✓	
6	15631	PETTY CASH	✓	3105	✓	✓	
15	15663	PETTY CASH	✓	4472	✓	✓	
			✓	151174			

IRS EXAM 1961, 62, 63

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MADE IN U.S.A.

INDEX OF EXHIBITS IN SUPPORT OF MOTION TO VACATE
SUMMARY JUDGMENT (A145-A148)
UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

----- x
UNITED STATES OF AMERICA, :
:
Plaintiff, :
:
v. : INDEX OF EXHIBITS
:
: CIVIL ACTION NO. 73 C 274
:
SALVATORE CIRAMI, MARGARET CIRAMI, :
JAMES CIRAMI and MASPETH FEDERAL :
SAVINGS AND LOAN ASSOCIATION, :
:
Defendants. :
----- x

1. Exhibit A - Check disbursements journal of Air Freight Cargo Co.
January 1959-November 12, 1963
2. Exhibit B-1 - Check Stub #11511-12011,
March 4, 1961-June 24, 1961
3. Exhibit B-2 - Check Stub #12011-12511,
June 24, 1961-September 26, 1961
4. Exhibit B-3 - Check Stub #12512-13012,
September 26, 1961-December 22, 1961
5. Exhibit B-4 - Check Stub #13013-13513,
December 22, 1961-March 27, 1962
6. Exhibit B-5 - Check Stub #13514-14014,
March 27, 1962-June 16, 1962
7. Exhibit B-9 - Check Stub #15518-16017,
April 16, 1963-August 10, 1963
8. Exhibit B-10 - Check Summary #16019-16028,
September 25, 1963-April 18, 1964
9. Exhibit C-1 - Payroll Book 1961

10. Exhibit C-2 - Payroll Book 1962
11. Exhibit C-3 - Payroll Book 1963 (through June 1, 1963)
12. Exhibit D - Petty cash vouchers and tapes as follows:

1/9/61	5/29/61	10/2/61
1/16/61	6/5/61	10/9/61
1/23/61	6/12/61	10/9/61
1/30/61	6/19/61	10/16/61
2/3/61	6/26/61	10/16/61
2/14/61	7/3/61	10/23/61
2/20/61	7/12/61	10/23/61
2/27/61	7/17/61	10/30/61
3/6/61	7/19/61	11/2/61
3/13/61	7/24/61	11/10/61
3/22/61	7/31/61	11/17/61
4/1/61	8/7/61	11/20/61
4/3/61	8/14/61	11/24/61
4/10/61	8/17/61	11/27/61
4/17/61	8/21/61	11/30/61
4/24/61	8/28/61	12/4/61
5/1/61	9/5/61	12/8/61
5/4/61	9/11/61	12/11/61
5/8/61	9/18/61	12/13/61
5/15/61	9/25/61	12/18/61
5/22/61	9/29/61	12/26/61
		1/12/62

13. Exhibit E - Folder - Henry Sobel & Co. - Insurance 1961-1962-1963
14. Exhibit F - Folder - Frank Derasmo 1961 - Gas & Auto Repairs
15. Exhibit G - Folder - Frank Derasmo - January 1962 - Gasoline & Auto Repairs
16. Exhibit H - Folder - January 1963 - Available Bills
17. Exhibit I - Folder - February 1963 - Available Bills
18. Exhibit J - Folder - March 1963 - Available Bills
19. Exhibit K - Folder - April 1963 - Available Bills

- 20. Exhibit L - Folder - May 1963 - Available Bills
- 21. Exhibit M - Folder - June 1963 - Available Bills
- 22. Exhibit N - Folder - Contracts - Available
- 23. Exhibit O - Ledger - Dispatch Record April 19, 1961-
September 15, 1961
- 24. Exhibit P - Trip Sheet - August 1961
- 25. Exhibit Q - Trip Sheets - September 1961
- 26. Exhibit R - Trip Sheets - January 1963
- 27. Exhibit S - Trip Sheets - February 1963
- 28. Exhibit T - Trip Sheets - March 1963
- 29. Exhibit U - Trip Sheets - April 1963
- 30. Exhibit V - Trip Sheets - May 1963

CERTIFICATE OF SERVICE

IT IS HEREBY CERTIFIED that copies of the foregoing Affidavits and Index of Exhibits were served upon the parties interested therein by mailing same, postage prepaid on June 30, 1975 to:

William R. Morrow, Jr., Esq.,
United States Dept. of Justice
Tax Division
Box 482
Washington, D.C. 20044

Friedland & Masone, Esquires
Attorneys of Record for Maspeth
Federal Savings and Loan Association
69-34 Grand Avenue
Maspeth, New York 11378

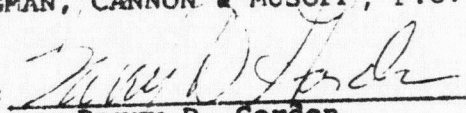
Diggs Management Corporation
c/o Segal, Werner & Segal, Esquires
1535 Flatbush Avenue
Brooklyn, New York 11210

Jacob Zeligfeld
139 Hewes Street
Brooklyn, New York 11211

Prudential Insurance Company of America
16 Court Street
Brooklyn, New York 11201

Astoria Federal Savings and Loan Association
37-16 30th Avenue
Long Island City, New York

WAGMAN, CANNON & MUSOFF, P.C.

By: 

Barry D. Gordon

136 East 57th Street
New York, N. Y. 10022
Telephone: 753-2900

MEMORANDUM AND ORDER OF JUDGE WALTER BRUCHHAUSEN
DATED OCTOBER 6, 1975, DENYING MOTION TO VACATE
SUMMARY JUDGMENT (pp. A149-A152)

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

----- x
UNITED STATES OF AMERICA, :
 :
Plaintiff, :
 :
-against- : No. 73 C 274
 :
SALVATORE CIRAMI, et al., : October 6, 1975
 :
Defendants. :
----- x

MEMORANDUM and ORDER

BRUCHHAUSEN, D. J.

The defendants, Salvatore Cirami and Margaret Cirami, move for an order, pursuant to Rule 60(b)(6) of the Federal Rules of Civil Procedure, vacating the judgment entered in favor of the plaintiff, United States of America, on June 12, 1975, in the amount of \$270,792.43, together with statutory interest.

This suit was commenced on February 28, 1973 to reduce a several and joint income tax assessment to judgment, to declare certain conveyances fraudulent, to foreclose the federal tax lien against the property, and

for a personal judgment against the transferor.

All parties from the inception of this suit appeared by counsel. Subsequently, the plaintiff moved on December 28, 1973, for summary judgment. There was no opposition submitted, and on June 12, 1974, judgment was entered as a result of an order of this court dated March 18, 1974, with notice to all parties. Subsequently, there were substitutions of attorneys, depositions were scheduled, and finally the taxpayers were deposed. Investigations subsequently disclosed additional transfers, and the plaintiff then moved successfully, ex parte, for injunctive relief preventing any further transfers which would cause irreparable damage to the plaintiff.

At the outset it is to be noted that a motion pursuant to Rule 60(b)(6) contains two important qualifications that must be satisfied, i.e. that it be based on some reason other than those stated in the first five subdivisions, and secondly, the reason urged for relief must be such as to justify it.

The court assumes that the first qualification has been met, and will determine whether the reason be such as to justify relief. The time to re-argue or appeal

from the judgment has long expired. It is well settled that a motion pursuant to this Rule cannot be used as a substitute for appeal. *Frank v. New Amsterdam Casualty Co.*, 27 F.R.D. 253. Furthermore, short of exceptional and compelling circumstances, a party will not be granted relief from a judgment even though relief from the judgment might have been obtained had an appeal been taken. *Adkerson v. United States*, 340 U.S. 193. See also *Loucke v. United States*, 21 F.R.D. 305 and the cases cited therein.

There is no specific time in which to move pursuant to Rule 60(b)(6). The motion must be made within a reasonable time, taking into consideration all the relevant circumstances of the particular case. In the case at bar, among other circumstances, the judgment was entered on June 12, 1974, and the motion to vacate was filed on May 1, 1975. The court has previously noted that at all times, every party was represented by counsel, who received notice of said entry of judgment.

The party invoking Rule 60(b)(6) must show a meritorious claim or defense. *Sebastiano v. United States*, 103 F. Supp. 278, affirmed 195 F.2d 184. See also *Boshear*

v. Weinsapfel, 474 F.2d 127(1973), and Moore's Federal Practice, 2nd Ed. Vol. 7, pages 339-387.

It is settled that federal tax assessments are presumed correct, and the burden of proof that such assessments are incorrect rests upon the taxpayer. United States v. Lease, 346 F.2d 696. The taxpayers here failed to overcome this presumption. As a matter of fact the defendants were convicted of attempted evasion of taxes and aiding in the preparation of false tax information returns. United States v. Cirani, 510 F.2d 69, certiorari denied 421 U.S. 964.

The court has reviewed the entire case history and concludes that the motion lacks merit in that the requirement of extraordinary circumstances has not been met to permit relief pursuant to 60(b)(6). Also, counsel has waited almost one year before moving for this relief, and under such circumstances has not moved within a reasonable time as mandated by this Rule.

The motion is denied.

It is so ordered.

Copies hereof will be forwarded to the attorneys for the respective parties.

Henry B. Buckner
Senior U. S. D. J.

MEMORANDUM AND ORDER OF JUDGE WALTER BRUCHHAUSEN DATED
OCTOBER 6, 1975 GRANTING PLAINTIFF RELIEF SOUGHT IN ITS
UNITED STATES DISTRICT COURT NOTICE OF MOTION DATED
EASTERN DISTRICT OF NEW YORK MAY 16, 1975

-----x

UNITED STATES OF AMERICA,	:
	:
Plaintiff,	:
	:
-against-	: No. 73 C 274
	:
SALVATORE CIRAME, et al.,	: October 6, 1975
	:
Defendants.	:

-----x

MEMORANDUM and ORDER

BRUCHHAUSEN, D. J.

The plaintiff moved for various relief as indicated in its notice of motion dated and filed May 16, 1975.

There being no opposition submitted, the motion is in all respects granted.

It is so ordered.

Copies hereof will be forwarded to the attorneys for the respective parties.

Walter Bruchhausen
Senior U. S. D. J.

JOINT NOTICE OF APPEAL

(pp. A154-A155)

UNITED STATES DISTRICT COURT FOR THE
EASTERN DISTRICT OF NEW YORK

File Number 73 C 274

----- X

UNITED STATES OF AMERICA,

Plaintiff,

v.

SALVATORE CIRAMI, MARGARET CIRAMI,
JAMES CIRAMI, MASPETH FEDERAL SAVINGS
AND LOAN ASSOCIATION, NANCY CIRAMI,
DIGGS MANAGEMENT CORP., JACOB
ZELIGFELD, PRUDENTIAL INSURANCE
COMPANY OF AMERICA, ANGELA CIRAMI and
ASTORIA FEDERAL SAVINGS AND LOAN
ASSOCIATION,

Defendants.

----- :

Filed
10-10-75

JOINT
NOTICE OF APPEAL

Notice is hereby given that SALVATORE CIRAMI
and MARGARET CIRAMI, defendants above named, hereby appeal
to the United States Court of Appeals for the Second Circuit
from the order of the Honorable Walter Bruchhausen, United
States District Judge, Eastern District of New York denying
the motions of SALVATORE CIRAMI and MARGARET CIRAMI, pursuant
to Rule 60(b)(6) of the Federal Rules of Civil Procedure,
to vacate summary judgment entered against them, which order

was entered on the 6th day of October, 1975.

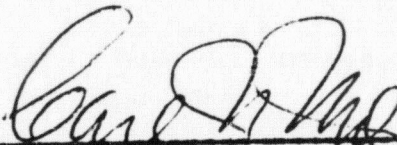
Dated: October 8, 1975
New York, New York

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By 
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OPINION OF THE COURT OF APPEALS FILED MAY 10, 1976
(pp. A156-A169)

UNITED STATES COURT OF APPEALS
FOR THE SECOND CIRCUIT

No. 705—September Term, 1975.

(Argued March 10, 1976 Decided May 10, 1976.)

Docket No. 75-6104

UNITED STATES OF AMERICA,
Plaintiff-Appellee,

—against—

SALVATORE CIRAMI, et al.,
Defendants,

SALVATORE CIRAMI & MARGARET CIRAMI,
Defendants-Appellants.

Before :

FRIENDLY, MULLIGAN and GURFEIN,
Circuit Judges.

Appeal from an order of the United States District Court for the Eastern District of New York, Hon. Walter Bruchhausen, J., denying defendants' motion, pursuant to Fed. R. Civ. P. 60(b)(6), to vacate a summary judgment in a tax case.

Affirmed.

JEFFREY S. BLUM (Scott P. Crampton, Assistant Attorney General, Gilbert E. Andrews, Elmer J. Kelsey, George G. Wolf, Attorneys, Tax Division, Department of Justice, Washington, D.C.; David G. Trager, United States Attorney for the Eastern District of New York, of Counsel), *for Plaintiff-Appellee*.

WALLACE MUSOFF, New York, New York (Wagman, Cannon & Musoff, New York, New York, Barry D. Gordon, of Counsel; Carl Mione, Brooklyn, New York), *for Defendants-Appellants*.

MULLIGAN, *Circuit Judge*:

This is an appeal from an order of the United States District Court for the Southern District of New York, Hon. Walter Bruchhaus, filed on October 6, 1975, denying the motion of defendants, pursuant to Fed. R. Civ. P. 60(b)(6), to vacate a summary judgment against them in favor of the United States in an action arising out of an alleged tax deficiency. We affirm.

I. FACTS

The tax deficiency imposed here arose out of Salvatore Cirami's operation in the early 1960's of Air Freight Haulage Co., which was engaged in the business of supplying truck transportation service. Since Cirami operated the company as a sole proprietorship, the income and expenses of the business were reflected on his personal federal income tax returns, which he filed jointly with his then-wife. The returns for the years 1961-1963 inclusive were audited by the Internal Revenue Service,

resulting in wholesale disallowances of claimed business expenses and deductions which allegedly were not substantiated.¹ Accordingly, on September 14, 1966 a statutory notice of deficiency reflecting the disallowances was sent by IRS to the Ciramis; the total tax deficiency assessed was \$153,087.34, plus a penalty of \$19,578.91. One week later Ciramis's accountant, Louis N. DeStefano, wrote to the IRS's district director for New York protesting the IRS's determination of deficiency and requesting "an informal conference and/or a re-audit." In response DeStefano received an IRS form letter acknowledging receipt of his communication, and advising him that it would be given "proper consideration" and that he would be "advised as to the action taken at a later date." Appellants now claim that, in reliance upon this response, no petition was ever filed by them in the Tax Court, and apparently no further communication ensued. On March 3, 1967 a formal assessment was made by IRS against the appellants in the amounts set forth in the statutory notice of deficiency, plus interest.

On February 28, 1973, almost six years later, IRS instituted an action in the Eastern District of New York against appellants and their son James, in order to reduce the stated tax assessments to judgment, to set aside allegedly fraudulent conveyances of property made by Salvatore Ciramis to his son, and for other ancillary relief. To defend the action the Ciramis retained the services of Peter R. Newman, Esq., of Syosset, New York, who was recommended by the Ciramis' accountant DeStefano and who himself (according to the government's attorney at oral argument of the appeal) was a former IRS agent. On

1 For example, the IRS disallowed all major trucking expenses for each of the years involved, and also disallowed in their entireties the claimed expenses for salary, insurance, and rent for 1963.

March 20 Newman filed an answer on behalf of his clients; essentially the answer consisted of a general denial and a counterclaim for taxes "illegally and erroneously collected."²

On December 28, 1973, the government moved for partial summary judgment against the Ciramis, pursuant to Fed. R. Civ. P. 56;³ the motion was supported by an affidavit from the IRS district director, setting forth the amounts assessed, and by a memorandum of law which attempted to demonstrate that the defendants' general denial contained in their answer did not overcome the presumptive correctness of the assessments made against them. No opposition to the motion was ever filed on defendants' behalf. As a result, Judge Bruchhausen granted partial summary judgment "in all respects" by order dated March 18, 1974; the order also stated that "[c]opies hereof are being forwarded to the attorneys for the respective parties." Judgment was entered on June 12, 1974 against Salvatore and Margaret Cirmi in the total amount of \$270,792.43, plus interest from the date of entry. The judgment itself again noted that no opposition was filed to the government's motion for partial summary judgment. Notice of entry of judgment was filed on July 5.

Thereafter, appellants retained new counsel. According to his brief on this appeal, Salvatore Cirmi substituted

2 This counterclaim was dismissed by Judge Bruchhausen on October 2, 1973 on the government's motion. Appellants resisted the motion to dismiss their counterclaim by filing both a "brief in support of counterclaim" submitted by Newman, and an affidavit in opposition to the motion to dismiss the counterclaim executed by Salvatore Cirmi.

3 The motion was for partial judgment in that it only sought to reduce to judgment the tax assessments against the senior Ciramis, and did not seek to set aside the alleged fraudulent conveyances or to obtain judgment against the Ciramis' son.

Carl Mione, Esq. as his counsel on August 28, 1974.⁴ A notice of appearance for Margaret Cirami was filed on December 23, 1974 by the firm of Wagman, Cannon & Musoff; however, according to the government, that firm advised IRS on October 4, 1974 that it was representing Margaret Cirami.

On May 1, 1975, appellants, through their new attorneys, filed a motion pursuant to Fed. R. Civ. P. 60(b)(6) to vacate the partial summary judgment entered for the government.⁵ In support of the motion, on July 1 appellants introduced records and papers of Air Freight Haulage Co., plus affidavits from two accountants (Bernard Zipern and Seymour Unterberg) who had audited the company's books during the years in question. These affidavits sought to explain some of the company's record-keeping procedures, and in one of them, accountant Unterberg said that his findings "indicate that, with minor exception, all of the business deductions claimed by Salvatore and Margaret Cirami on their joint 1961, 1962 and 1963 income tax returns are fully substantiated by the available books and records of Air Freight Haulage Co." In addition the notice of motion itself was accompanied by an affidavit of Salvatore Cirami, dated April 28, 1975, in which Cirami claimed that "[i]t was not until my present attorney, Mr. Mione took possession of Mr. Newman's files in this matter did I know that the United States had taken summary judgment against my former wife Margaret and myself."

The government filed memoranda in opposition to appellants' motion to vacate the earlier judgment. On October

⁴ It appears, however, that Cirami and Mione were acquainted before that, since on June 6, 1973 Mione notarized Cirami's affidavit in opposition to the government's motion to dismiss the Ciramis' counterclaim, note 2 supra.

⁵ While the notice of motion was dated April 25, 1975, it was not filed with the district court until May 1.

6, 1975, Judge Bruchhausen entered an order denying the motion, essentially on the grounds that appellants failed to meet the requirement of extraordinary circumstances necessary for relief under Rule 60(b)(6), and that appellants did not make their motion within a reasonable time, as is also required by the Rule.⁶ This appeal followed.

II. DISCUSSION

Rule 60(b) of the Federal Rules of Civil Procedure permits a party to be relieved from a final judgment basically for the following reasons (corresponding to the subdivisions of the Rule): (1) "mistake, inadvertence, surprise, or excusable neglect"; (2) "newly discovered evidence which by due diligence could not have been discovered in time to move for a new trial under Rule 59(b)"; (3) "fraud . . . misrepresentation, or other misconduct of an adverse party;" (4) "the judgment is void"; (5) "the judgment has been satisfied, released, or discharged . . ." or (6) "any other reason justifying relief from the operation of the judgment." The motion made below was pursuant to subdivision 6 of Rule 60(b) which while general in terms is properly applicable only upon a showing of "exceptional circumstances." *Rinieri v. News Syndicate Co.*, 385 F.2d 818, 822 (2d Cir. 1967); *Ackermann v. United States*, 340 U.S. 193, 202 (1950).

The motion made below was based upon a three-page affidavit of Salvatore Cirami, sworn to on April 28, 1975,

6 The opinion below also took notice of the earlier conviction of Salvatore and James Cirami for attempted evasion of social security and unemployment taxes and for aiding in the preparation of false returns. In that action, another trucking corporation run by the Ciramis (Air Package Distribution Service Ltd.) sought to classify its truck drivers not as employees but rather as independent contractors, so as to avoid paying social security and unemployment taxes. The convictions were affirmed by this court, *United States v. Cirami*, 510 F.2d 69, and certiorari was denied, 421 U.S. 964 (1975).

which in abbreviated form acknowledges that he operated the business described in the calendar years 1961, 1962 and 1963; that his business books and records were maintained by an accountant; that the receipts and business expenses of his business were reflected in his joint income tax return filed with the Internal Revenue Service and prepared by his accountant; that, on September 14, 1966 he was forwarded a letter from the District Director of Internal Revenue which, he has recently been advised, was a statutory notice of deficiency; that he gave the notice to his accountant DeStefano who advised that he would take appropriate action; that to the best of his knowledge and recollection, a Revenue Officer, at an unspecified date, advised that the assessments had been made; and that some payments had been made on the assessments, under protest.

The last four paragraphs of the Cirami affidavit which are here pertinent follow:

9. When the summons was served upon me in the instant action, I went to Mr. DeStefano who referred me to Peter Newman, Esq.

10. Mr. Newman agreed to represent my former wife, Margaret, my son, James and myself in this proceeding.

11. Mr. Newman and I met on some three occasions including the initial conference at which time we only discussed personal background information.

12. It was not until my present attorney, Mr. Mione took possession of Mr. Newman's files in this matter did I know that the United States had taken summary judgment against my former wife Margaret and myself.

The exceptional circumstances relied upon by the appellants here is the fact that their then-counsel, Newman, per-

mitted the United States to take summary judgment for more than \$270,000 by default for reasons described by appellants as "unknown." We have been provided with no affidavit of Newman which would cast any light on the circumstances of his failure to contest the government's motion for partial summary judgment. Neither have we received any affidavits from present counsel of appellants which would indicate what efforts, if any, have been made to elicit Newman's testimony, either voluntarily or under subpoena. We have only been told on oral argument that Newman is not speaking to his former clients. The affidavit of Salvatore Cirami is hardly illuminating. In addition to the vagueness already seen there is no indication that any efforts were made by Cirami or his wife to ascertain at the time the status of the matter or the activity, if any, of his then-counsel. Cirami is an experienced businessman and no stranger to the activities of the Internal Revenue Service. On the record, the court below found that the taxpayers had not shown the "exceptional circumstances" necessary for the granting of a Rule 60(b)(6) motion, which is addressed to the discretion of the district court judge. *Schwarz v. United States*, 384 F.2d 833, 835 (2d Cir. 1967); 7 J. Moore, Federal Practice ¶ 60.27(1), at 351-52 (2d ed. 1975). We cannot find that the court below abused its discretion in denying the relief requested. On the record before us we are totally uninformed of the reasons for the failure of the appellants' former counsel to contest the motion for summary judgment or whether the failure was deliberate or inadvertent.

The question of the extent to which the error of counsel may constitute a basis for Rule 60(b) relief is somewhat vexing. Normally, the motion would be made pursuant to Rule 60(b)(1) on the theory that counsel's error constitutes a mistake or excusable neglect. This Circuit has

rather consistently refused to relieve a client of the burdens of a final judgment entered against him due to the mistake or omission of his attorney by reason of the latter's ignorance of the law or of the rules of the court, or his inability to efficiently manage his caseload. *United States v. Erdoss*, 440 F.2d 1221 (2d Cir.), cert. denied, 404 U.S. 849 (1971); *Schwarz v. United States*, *supra*; *Dal International Trading Co. v. Sword Line, Inc.*, 286 F.2d 523 (2d Cir. 1961); *Benton v. Vinson, Elkins, Weems & Searls*, 255 F.2d 299 (2d Cir.), cert. denied, 358 U.S. 885 (1958). The same rule can be found outside this Circuit as well, e.g., *Cline v. Hoogland*, 518 F.2d 776, 778 (8th Cir. 1975) (collecting Eighth Circuit cases) ("Ignorance or carelessness of an attorney is generally not cognizable under Fed. R. Civ. P. 60(b)."). This approach is supported by the opinion of Mr. Justice Harlan for the Court in *Link v. Wabash R.R.*, 370 U.S. 626, 633-34 (1962) where he commented:

There is certainly no merit to the contention that dismissal of petitioner's claim because of his counsel's unexcused conduct imposes an unjust penalty on the client. Petitioner voluntarily chose this attorney as his representative in the action, and he cannot now avoid the consequences of the acts or omissions of this freely selected agent. Any other notion would be wholly inconsistent with our system of representative litigation, in which each party is deemed bound by the acts of his lawyer-agent and is considered to have "notice of all facts, notice of which can be charged upon the attorney." (Citation omitted).

While *Link* was not a Rule 60 case, 370 U.S. at 635-36, its reasoning has been found applicable to that Rule by Professor Moore, who has commented extensively on the issue, 7 J. Moore, *Federal Practice* ¶ 60.27[2] at 365-72.

At the same time there is authority for the proposition that where the conduct of counsel is grossly negligent, there may be a basis for relief under Rule 60(b)(6). The leading case for this proposition is *L.P. Steuart, Inc. v. Matthews*, 329 F.2d 234 (D.C. Cir.), cert. denied, 379 U.S. 824 (1964). Professor Moore finds *Steuart* "logically irreconcilable" with *Link v. Wabash R.R.* and our opinion in *Schwarz v. United States*, *supra*. 7 J. Moore, *supra* at 369.⁷

The appellants here rely upon subdivision 6 of Rule 60(b) and not subdivision 1. Since subdivision 1 requires that the motion be made within one year after the judgment and a subdivision 6 motion must be made only "within a reasonable time," the distinction becomes crucial in some cases. Here, the motion was made within a year so that the choice of appellant was obviously not dictated by time considerations. The question then becomes: should we follow *Steuart* and hold that gross negligence of counsel warrants the relief sought. Although we note that Judge Smith in *Schwarz* found "no case of reversal by an appellate court of a District Court's exercise of discretion in circumstances such as these" (i.e., neglect of counsel), 384 F.2d at 835, and despite Professor Moore's apparent approval of what he considers to be the rule of this Circuit, we cannot overlook our holding in *Vindigni v. Meyer*, 441 F.2d 376 (2d Cir. 1971) where we did reverse and remand an order of the district court which denied a Rule 60(b) motion to vacate an order of dismissal. An examination of the motion papers and briefs in that case fails to establish whether the motion was made

⁷ *Schwarz* itself simply distinguished *Steuart* on the grounds that the latter case involved a holding that the district court did not abuse its discretion in granting a motion to reinstate a suit, whereas in *Schwarz* (as well as in the instant case) the motion had been denied. 384 F.2d at 835.

under subdivision 1 or 6. The opinion notes that the motion was made under Rule 60(b) without further specification. In *Erdoss* we had squarely held just one week after *Vindigni* that "Rule 60(b)(1) and 60(b)(6) are mutually exclusive, so that any conduct which generally falls under the former cannot stand as a ground for relief under the latter Since the alleged ground for relief under Rule 60(b) here concerned mistake, only Rule 60(b)(1) is applicable." 440 F.2d at 1223 (citations omitted). By a parity of reasoning one would suppose that since here the basic ground of relief is neglect, the motion was properly under subdivision 1 and not 6.

We are loathe to rest on such technical grounds. Assuming arguendo that *Vindigni*, which preceded *Erdoss* by a week and which was not cited in the latter opinion, permits 60(b)(6) relief where gross attorney incompetence is revealed by the record, and even if this circuit were to follow *Stewart*—a course to which we are not now inclined—appellants must in any event fail. In *Vindigni* the plaintiff longshoreman had commenced a personal injury action in the district court and had retained his own counsel. Plaintiff failed to appear for a deposition and his complaint was ultimately dismissed on defendant's unopposed motion. The 60(b) motion denied by the district court was reversed here because "we have the unusual fact of the complete disappearance of plaintiff's attorney." Moreover, the plaintiff in his affidavit urged that he had "tried diligently to find" his attorney. The court noted in its decision that "we do not depart from the regular course of our decisions upholding discretionary orders of dismissal for failure to prosecute. . . . The facts here are readily distinguishable from the facts in those decisions." 441 F.2d at 378 (citations omitted). The case was remanded to determine in a full evidentiary hearing whether

in fact plaintiff had neglected his suit. See also *Flaks v. Koegel*, 504 F.2d 702, 712 (2d Cir. 1974).

The case before us is clearly distinguishable. There is not the unusual circumstance of attorney disappearance, and there is no allegation of any effort to contact the former attorney to ascertain the status of the litigation at any point or even to provide the court below with any explanation for his failure to oppose the motion for summary judgment. *L.P. Steuart, Inc. v. Matthews, supra*, is equally inapposite. In that case former counsel's affidavit revealed that at the time of his default he had been beset by personal problems, including the death of his parents and the serious illness of his wife. Moreover, his client's affidavit noted that he had made numerous inquiries of his former counsel who had either refused to answer or had assured him that the case was proceeding and would soon be settled. Judge Edgerton found that Rule 60(b)(6) was broad enough to permit relief when "personal problems of counsel cause him grossly to neglect a diligent client's case and mislead the client." 329 F.2d at 235.⁸ In sum, even if gross negligence provides a basis for Rule 60(b)(6) relief, the record before us fails to establish any gross negligence or misleading of the appellants by counsel and is bereft of any indication of client diligence.

Ultimately, appellants' position here is reduced to an appeal to the conscience of the court based upon the nebulous doctrine that "equitable considerations" should essentially govern the application of Rule 60(b)(6). *Smith v. Jackson*

⁸ In his dissent in *Steuart*, Judge Miller followed the reasoning of *Link v. Wabash R.R.*, *supra*, and its holding that the client is bound by the acts and omissions of his attorney. He suggested that the proper remedy was a malpractice action by the client against his negligent attorney, 329 F.2d at 238. A similar suggestion was made by Judge Smith in *Schwartz v. United States*, *supra*, 384 F.2d at 835-36. We do not imply at all that such a remedy is feasible here in view of the record, or more accurately, lack of any record, before us.

Tool & Die, Inc., 426 F.2d 5, 8 (5th Cir. 1970); *Menier v. United States*, 405 F.2d 245, 248 (5th Cir. 1968). Our court however has required the movant to show "exceptional circumstances," *Rinieri v. News Syndicate Co.*, *supra*, or, as Judge Learned Hand indicated in *United States v. Karahalias*, 205 F.2d 331, 333 (2d Cir. 1953), "extreme hardship." The "equity" urged here is essentially that the appellants have been subjected to a substantial judgment which was erroneously entered. Appellants have urged vigorously that Cirami must have had properly deductible business expenses far in excess of that fixed by the government and finally determined by the judgment entered by default. The argument that their cause has merit is plausible but is not determinative. It is well established that an appeal from the denial of a Rule 60(b) motion "brings up only the denial of the motion and not the [merits of the underlying] judgment itself." *Wagner v. United States*, 316 F.2d 871, 872 (2d Cir. 1963). Accord, *Schwarz v. United States*, *supra*, 384 F.2d at 835; *Hodgson v. U.M.W.*, 473 F.2d 118, 124 n.28 (D.C. Cir. 1972); 7 J. Moore, *supra*, ¶ 60.30[3], at 431 & n.8.

The reason for the rule is based in our view on sound judicial policy. There must be some end to litigation at some point. The time to appeal the judgment below has long since expired and it cannot be enlarged by recourse to Rule 60(b). The movant must of course establish that his cause has merit but he must further come within the statutory scheme of Rule 60(b). Appellants here have utterly failed to establish any exceptional circumstances, nor has the Cirami affidavit created any questions of fact, which would require any further proceedings.

The government's contention that the Rule 60(b)(6) motion here was untimely was sustained below. However, since it was made within the one year limit imposed for

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motions under Rule 60(b)(1), (2), or (3), we would find that in fact it was timely made here under all the circumstances. In view of our position on the merits however this does not affect the result here.

Affirmed.

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PETITION FOR REHEARING
(pp. A170-A175)

IN THE

UNITED STATES COURT OF APPEALS
FOR THE SECOND CIRCUIT

Docket No. 75-6104

UNITED STATES OF AMERICA,

Plaintiff-Appellee,

v.

SALVATORE CIRAMI, et al.,

Defendants,

SALVATORE CIRAMI & MARGARET CIRAMI,

Defendants-Appellants.

PETITION FOR REHEARING

The appellants above named respectfully petition the Honorable Court for a rehearing of the appeal in the above-entitled cause, and in support of this petition represent to the Court:

We reserve our argued position as to each of the points of appeal, but in this petition address ourselves solely to those features of the decision wherein we believe the Court

may be convinced its result is based upon the application of incorrect legal principles.

Therefore this petition is devoted to convincing this Court that it has erred in its failure to consider whether the manner in which summary judgment was taken, appellants third major question on appeal, presented "extraordinary circumstances" under Rule 60(b)(6) of the Federal Rules of Civil Procedure. Further, appellants believe this Court was unaware of certain facts, pertaining to the decision of the Court below, which would justify a remand for an evidentiary hearing.

At page 3653 of the Slip Opinion this Court noted that "exceptional circumstances" must be presented to sustain a motion pursuant to Rule 60(b)(6). This Court thereafter stated:

The "equity" urged here is essentially that appellants have been subjected to a substantial judgment which was erroneously entered.
(Slip Op. 3653)

The appellants' position is more fundamental. As set forth in Point III of appellants' brief (pp. 22-26), appellants asserted that as a matter of law the Court below erred in granting summary judgment since material issues of fact

existed, which facts the government had full knowledge of at the time the motion, pursuant to Rule 56 of the Federal Rules of Civil Procedure, was made.

The government knew full well that wholesale disallowances could not be sustained, where gross receipts were accepted as filed, because the profit ratio which resulted (see p. 14 of appellants' brief) was incredulous. As Judge Friendly noted during oral argument, to have such a profit, "magical" trucks had to be utilized. As appellants' noted in their brief (p. 24), the Supreme Court in Poller v. Columbia Broadcasting, 368 U.S. 464, 467 (1962) stated that it must be "quite clear what the truth is...[and where] no genuine issue remains for trial ..." before summary judgment can be granted.

In the instant case, and for the reasons set forth above, it was quite clear that the Ciramis could not owe the tax in issue. To conclude that extraordinary circumstances cannot be found where a moving party, namely the United States comes into Court, with "unclean hands" and obtains a judgment which is clearly erroneous and ultimately will destroy a family financially vitiates the intent of Rule 60(b)(6).

Rule 60(b)(6) was created to relieve undue hardship, United States v. Karahalias, 205 F.2d 331, 333 (2nd Cir. 1953) (p. 11 of appellants' brief). In addition, there can be no prejudice to the appellee in vacating the judgment, as the government will ultimately receive what is due and owing in taxes from the Ciramis, Smith v. Jack Tool & Die Inc., 426 F. 2d 5, 8 (5th Cir. 1970) (p. 11 of appellants' brief).

In finding that appellants have failed to establish any exceptional circumstances, this Court failed to take cognizance of the voluminous records to substantiate the deductions submitted to the Court below, which the government never disputed as being accurate. These records serve as a concrete basis to sustain the validity of the deductions taken. It is equally important to note that the Court below, in its opinion, made no mention of these records. It merely dispensed with the proof submitted by saying that appellants failed to overcome the presumption of correctness of the assessment. (A-152). How unrefuted records of expenses do not overcome a presumption of correctness of an assessment, which is a ministerial docket entry, is beyond comprehension. If ever a case called for the relief sought herein, it is the instant case.

The "extraordinary circumstances" is undue hardship to appellants caused by a motion for summary judgment which was factually untenable in the first instance, which this Court in United States v. Karahalias, 205 F. 2d 331, 333 (2nd Cir. 1953) found to be an appropriate basis for relief. If the judgment stands, complete injustice will result. Even if the sole reason to vacate is to "accomplish justice", which is a standard set forth by the Supreme Court in Klapprott v. United States, 555 U.S. 601, 614 (1949) appellants must prevail on this appeal. Appellants readily agree that sound judicial policy requires that all lawsuits must terminate at some appropriate point in time, but respectfully urge that this doctrine is not applicable to the factual setting herein.

The Court below ruled on appellants' motion without any evidentiary hearing. Having not even cited the records presented in the opinion below, it can only be concluded that the Court did not consider the same. A question of fact is presented - whether appellants can overcome the presumption of the assessments? On this basis alone, the case should be remanded for an evidentiary hearing to see whether the records maintained by independent accountants, as their affidavits

provide, refute the presumption of correctness of the assessment.

Furthermore, if this matter is remanded for an evidentiary hearing, prior counsel's presence can be compelled so that his role can be fully delineated.

For the foregoing reasons, the petition for rehearing should be granted.

Respectfully submitted,

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May 20, 1976

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Attorney for Defendant-Appellant
Salvatore Cirami

ORDER DENYING PETITION FOR REHEARING

United States Court of Appeals

SECOND CIRCUIT

At a Stated Term of the United States Court of Appeals, in and for the Second Circuit,
held at the United States Court House, in the City of New York, on the first
day of June , one thousand nine hundred and seventy-six.

Present:

HON. HENRY J. FRIENDLY,

HON. WILLIAM H. MULLIGAN,

HON. MURRAY I. GURFEIN,

Circuit Judges.

UNITED STATES OF AMERICA,
Plaintiff-Appellee

v.

SALVATORE CIRAMI, MARGARET CIRAMI,
MARGARET CIRAMI, JAMES CIRAMI, MASPETH
FEDERAL SAVINGS AND LOAN ASSOCIATION,
etc.,

Defendants

SALVATORE CIRAMI and MARGARET CIRAMI,
Defendants-Appellants

Docket No. 75-6104

A petition for a rehearing having been filed herein
by counsel for the defendants-appellants

Upon consideration thereof, it is

Ordered that said petition be and hereby is denied.

A. Daniel Fusaro
A. DANIEL FUSARO,
Clerk

DEFENDANT'S NOTICE OF MOTION DATED JULY 28, 1976

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

-----x		
UNITED STATES OF AMERICA,	:	<u>NOTICE OF MOTION</u>
	:	
Plaintiff,	:	CIVIL ACTION
	:	NO. 73 C 274
v.	:	
SALVATORE CIRAMI, MARGARET CIRAMI,	:	
JAMES CIRAMI and MASPETH FEDERAL	:	
SAVINGS AND LOAN ASSOCIATION,	:	
	:	
Defendants.	:	

S I R S :

PLEASE TAKE NOTICE that upon the annexed Memorandum of Law and Affidavits of Peter Newman, Esq., David Kipper, Esq., Salvatore Cirami, Louis DeStefano and Wallace Musoff, Esq. and Barry Gordon, Esq., and upon all the pleadings and proceedings heretofore had herein, defendants, Salvatore and Margaret Cirami, will jointly move this Court before the Honorable Walter Bruchhausen, Courtroom No. 2, Federal Court House, 225 Cadman Plaza East, Brooklyn, New York on August 31, 1976 at 10:00 o'clock in the forenoon of that day, or as soon thereafter as counsel may be heard, for an order, pursuant to Rule 60(b)(6), Fed. R. Civ. P., vacating the summary judgment entered in favor of the plaintiff against Salvatore Cirami and Margaret Cirami on June 12, 1974 in the amount of \$270,792.43, plus statutory interest.

Dated: New York, New York
July 28, 1976.

WAGMAN, CANNON & MUSOFF, P.C.

By _____

MEMORANDUM OF POINTS AND AUTHORITIES IN SUPPORT OF DEFENDANT'S
MOTION TO VACATE SUMMARY JUDGMENT AND SUPPORTING EXHIBITS
(pp. A178-A207)

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

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UNITED STATES OF AMERICA,	:	
Plaintiff	:	CIVIL ACTION NO. 73 C 274
v.	:	
SALVATORE CIRAMI, MARGARET CIRAMI,	:	<u>MEMORANDUM OF POINTS AND</u>
JAMES CIRAMI and MASPETH FEDERAL	:	<u>AUTHORITIES IN SUPPORT</u>
SAVINGS AND LOAN ASSOCIATION,	:	<u>OF THE DEFENDANTS' MOTION</u>
Defendants	:	<u>TO VACATE SUMMARY JUDGMENT</u>

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This Memorandum of Law is submitted in support of defendants' motion, pursuant to Rule 60(b)(6) of the Federal Rules of Civil Procedure, to vacate a judgment entered on June 12, 1974 against Salvatore and Margaret Cirami.

For purposes herein, the prior Memorandum of Law submitted in support of defendant's original motion pursuant to Rule (b)(6) and the documentation submitted therewith is incorporated by reference. This Memorandum of Law is devoted solely to the issues raised in light of newly discovered evidence concerning the reason prior counsel failed to oppose the government's motion for summary judgment.

The original motion by defendants to vacate summary judgment was predicated upon a factual showing that they did not owe the judgment which was entered against them. In support thereof, the defendants submitted books and records to establish their position, which documentation the government never refuted. The Court of Appeals for the Second Circuit in affirming this Court, in United States v. Salvatore Cirami et al, Docket No. 75-6104 (May 10, 1976), ruled that notwithstanding that appellants had a meritorious defense to the asserted deficiencies such fact was not determinative to the granting of a Rule 60(b)(6) motion. (Slip Op 3653). What is determinative is the finding of "exceptional circumstances", Reniere v. News Syndicate Co., 385 F.2d 818 (2nd Cir. 1967) or "extreme hardship", United States v. Karahalias, 205 F.2d 331, 333 (2d Cir. 1953) (Slip Op 3653). This, the Second Circuit found to have been wanting in defendant's motion.

The opinion of the Appellate Court was couched totally in terms of lack of evidence as to why the Ciramis' prior counsel, Mr. Newman, failed to oppose the motion for summary judgment. The choice of the defendants in not submitting argument as to why Newman did not answer the motion for summary judgment was not of defendants' volition. Succinctly, neither defendants nor their substitute counsel

could arrange a meeting with Mr. Newman. Therefore, Mr. Newman's reason for failing to answer the government's motion for summary judgment was characterized as "unknown".

In this regard, certain memoranda released to Mr. Cirami pursuant to the Freedom of Information Act also reflect that this Court was equally thwarted in contacting Mr. Newman as to why he had defaulted in responding to the government's motion of summary judgment.

A Memorandum To Files, a copy of which is attached hereto as Exhibit A, from William R. Morrow, Esq., the government counsel assigned the case shows that on March 15, 1974, "Mr. Pellegrino then called Mr. Newman's law office but could not get a satisfactory answer to the second default."

It is thereafter stated in the memorandum:

On March 18, 1974, I was again in the Judge's chambers... and Mr. Pellegrino again called Mr. Newman's office to ascertain why they were in default. The secretary advised Mr. Pellegrino that no papers had been prepared on the Cirami matter within the last three months. [Emphasis added]

The inability of this Court to contact Mr. Newman, the memorandum reflecting that Mr. Pellegrino spoke only to his secretary, bears out the inability of defendants' (Exhibit B) and counsel's (Exhibits C and D) failure to contact him. See also affidavit of Louis De Stefano annexed hereto as Exhibit E.

Subsequent to the rendering of the opinion by the Second Circuit, on May 10, 1976, Mr. Newman was contacted by telephone and informed by Wallace Musoff, Esq. that the Court of Appeals had affirmed a denial of the Motion to Vacate Summary Judgment, and that he, Mr. Newman, was referred to in the opinion. Mr. Newman agreed to see Mr. Musoff and requested that a copy of the opinion be brought to the meeting.

On May 27, 1976, a meeting was held at Mr. Newman's offices, 350 East Old Country Road, Garden City, New York, and attended by Messrs. Newman, Wallace Musoff and Barry Gordon, the latter individual an associate in the firm of Wagman, Cannon & Musoff, P.C. Mr. Newman asked for a copy of the opinion rendered by the Second Circuit which he was given. Mr. Newman was asked why he did not pursue the government's motion for summary judgment and why he did not respond to any telephone calls made by either Mr. Cirami or Mr. Kipper. Mr. Newman stated that he was most reluctant to state the reasons for his default. However, after having been advised of the fact that if this judgment were to stand against the Ciramis they would suffer total financial ruin, Mr. Newman finally stated that he had defaulted because of alleged assurances given by the Department of Justice during a conference in Washington, D.C. These assurances were in the nature of an understanding that

even if the government were to take total judgment against the Ciramis, only the actual amount of tax due would be sought. Because of the inherent incredulity of Newman's statement he was pressed as to names and dates of the participants in the conference. Mr. Newman stated he would search his records and a subsequent conference was scheduled to cull out this information. Mr. Newman was left a copy of the opinion and was informed that he would be expected to place his statements under oath, statements would be subject to cross-examination by the government and that he must be certain of the facts. He was then asked if there was anything embarrassing in his background and he stated that he was the subject of charges by the Bar Association but refused to elaborate on the nature of the charges.

Mr. Newman, thereafter, agreed to meet with Messrs. Musoff and Gordon on June 8, 1976, and it was during that meeting that Mr. Newman disclosed for the first time that the actual reason he failed to oppose the government's motion for summary judgment was a result of his suffering from a mental disorder during the time the motion for summary judgment was made, which disorder manifested itself in his failure to complete work promised to his clients. Further, that he was seeing a psychiatrist during this period in an endeavor to cure the disorder. He also stated that the charges against him before the Bar Association involved his inability

to complete required work. Finally, Mr. Newman agreed to submit an affidavit to such effect and waive his physician-patient privilege. On June 10, 1976, he submitted the affidavit, which is annexed hereto as Exhibit F attesting to his June 8, 1976 statement.

On July 6, 1976, Mr. Newman submitted a letter, a copy of which is attached hereto as Exhibit G, authorizing the release of certain information. It is noted that the Newman affidavit refers to treatment by a Dr. Zaker while the Newman release is issued to Dr. Reiter. Mr. Newman informed counsel that at the time of treatment Dr. Zaker was associated with Dr. Reiter.

On July 12, 1976, Dr. Reiter wrote this office and disclosed that Mr. Newman had been treated by his office during almost a two-year period. Attached hereto as Exhibit H is a copy of the letter. It should be noted that the nature of treatment was not given by Dr. Reiter as Mr. Newman did not formally authorize the release of the same. Further, the dates of treatment as disclosed in the Reiter letter do not coincide with the dates set forth in the Newman affidavit. Defendants believe that the proximity of treatment to the default judgment coupled with the obvious continuing nature of Newman's illness as disclosed by Newman's affidavit and admissions to present counsel, offer the sole cogent explanation as to why Peter Newman defaulted in responding to the government's motion for summary judgment.

It is with this most recent factual development that this motion is made to vacate summary judgment.

ARGUMENT

The Court of Appeals for the Second Circuit in affirming the opinion of this Court, denying defendants motion to vacate summary judgment, stated that "extreme hardship", the element found by the Court to be absent, could be satisfied where a lawyer, at the time of default was suffering from personal problems, such as serious illness in his family. (Slip Op. 3652) In fact, the Second Circuit, in so ruling cited L.P. Steuart, Inc. v. Matthews, 329 F.2d 234 (D. C. Cir.), cert denied 379 U. S. 824 (1964).

In Steuart, the appellee had brought suit of February 5, 1960. On October 19, 1960, the complaint was dismissed for failure to prosecute. On October 22, 1962, plaintiff, through new counsel, moved pursuant to Rule 60 (b) to reinstate the suit, which motion was granted. In support of the motion, an affidavit was submitted by appellee's former counsel that at the time the complaint was dismissed he had been "beset with personal problems", involving the illness of his wife and death of his parents. Appellee also submitted an affidavit concerning his attempt to secure the status of the case and was assured by counsel that the "case was proceeding..."

In affirming the motion to reinstate the action which the District Court granted by involving subdivision (6) of Rule 60(b), the Court of Appeals held:

Counsel's neglect was not excusable and the Court, by clear implication, so found. The judge said he felt that in this particular case the client, plaintiff, a person unfamiliar with court procedures, should not be penalized by the action of his counsel, who admittedly did not attend to the matter when he received notice of the contemplated dismissal.

The majority added:

Clause (1) of Rule 60(b) is not and clause (6) is broad enough to permit relief when as in this case personal problems of counsel cause him grossly to neglect a diligent client's case and mislead the client. Clause (6) vests power in courts adequate to enable them to vacate judgments whenever such action is appropriate to accomplish justice. Klapprott v. United States, 335 U.S. 601, 614-15... (1949).

Supra at 235-36.

Steuart is clearly apposite to the instant case. First, Mr. Cirami had no knowledge of the granting of the government's motion for summary judgment until Mr. Mione secured the files of Mr. Newman. It was shortly thereafter that the original Motion to Vacate Summary Judgment was made. The essential ingredient lacking, according to the Second Circuit, was the reason Mr. Newman failed

to oppose the Motion for Summary Judgment . It took the opinion of the Court of Appeals to disgorge the answer from Mr. Newman, which information was sheltered by a physician-patient privilege, and which evidence even if an evidentiary hearing had been held on defendant's original motion, could never have been pried from Mr. Newman. If "personal problems" as found in Steuart were a sufficient basis to grant a Rule 60(b)(6) motion, then the mental illness of instant prior counsel which precipitated the failure to respond to the motion for summary judgment must cause the same result.

It is obvious that Newman failed to respond to the calls of Mr. Cirami, this Court and present counsel for one reason. His mental illness caused him to avoid any reference to this case knowing full well that he, by his inability to act, had destroyed the financial well-being of an entire family.

In another respect, the instant facts are stronger for relief "to accomplish justice". The Ciramis are defendants in a case with a judgment against them that effectively destroys the family financially-a judgment which the facts establish they do not owe.

The affidavit of Peter Newman stating why he defaulted in responding to the government's motion of summary judgment warrants a vacating of the judgment against the Ciramis, or, at the very least, the granting of an evidentiary hearing.

CONCLUSION

It is clear from the foregoing that the recently disclosed facts answer the questions posed by the Court of Appeals' opinion as to why Peter Newman defaulted in responding to the government's motion for summary judgment. Such facts more than amply justify this motion pursuant to Rule 60(b)(6) of the Federal Rules of Civil Procedure to vacate the summary judgment entered against the Ciramis.

WHEREFORE, it is prayed that this renewed Motion made pursuant to Rule 60(b)(6) of the Federal Rules of Civil Procedure be granted and the judgment entered in the captioned proceeding on June 12, 1974 be vacated forthwith.

Respectfully submitted,

WAGMAN, CANNON & MUSOFF, P.C.
Attorneys for Defendant
Margaret Cirami

By Wallace Musoff

OF COUNSEL:

WALLACE MUSOFF
BARRY D. GORDON

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UNITED STATES DEPARTMENT OF JUSTICE

MEMORANDUM TO FILES

File.
A/J 5-52-12592

FROM: William R. Morrow
DIVISION: Tax - General Lit.
OFFICE: 3314
PHONE #: 2732

REGARDING: United States v. Salvatore
Cirami, Margaret Cirami, et al.,
Civil No. 73C 274 (USDC ED N.Y.)
DATE: March 19, 1974

STATEMENT:

Bruehase's
On March 15, 1974, I was before Judge Judd on the hearing on ~~the~~ Judge Bruehase's law secretary, Mr. Pellegrino, was in the Courtroom on another matter. He requested that I stop by the Judge's chambers before going to Internal Revenue Service. Mr. Pellegrino said that the Judge was aware that the attorney Newman had defaulted in opposing our motion for partial summary judgment on February 1, 1974, that the Court gave Mr. Newman an additional two weeks to file such opposition and that he had again defaulted. Mr. Pellegrino then called Mr. Newman's law office but could not get a satisfactory answer as to the second default.

On March 18, 1974, I was again in the Judge's chambers on the ~~matter~~ and Mr. Pellegrino again called Mr. Newman's office to ascertain why they were in default. The secretary advised Mr. Pellegrino that no papers had been prepared on the Cirami matter within the last three months. We then went before the Judge who instructed Mr. Pellegrino to prepare a memorandum ~~of~~ decision granting us the motion for partial summary with provision to settle the judgment on five (5) days notice. On this afternoon, the Assistant United States Attorney, Thomas Illmensee, called to advise that he had already received the signed memorandum decision and was preparing the judgment accordingly. He will forward copies of everything as soon as the judgment is entered.

Salvatore Cirami and James Cirami, were recently convicted on multiple counts of evading withholding and FICA taxes. As soon as the time to appeal has expired, we will then proceed to take depositions of the Ciramis in connection with this civil action.

WRM

WRM

#34

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

-----x
UNITED STATES OF AMERICA, :
 :
Plaintiff, : AFFIDAVIT
 :
-against- : CIVIL ACTION NO. 73 C 274
 :
SALVATORE CIRAMI, MARGARET CIRAMI, :
JAMES CIRAMI and MASPETH FEDERAL :
SAVINGS AND LOAN ASSOCIATION, :
 :
Defendants. :
-----x

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

SALVATORE CIRAMI, being duly sworn, deposes and says:

1. This Affidavit is submitted for the purpose of supplementing my Affidavit of April 28, 1975 which was submitted to this Court in support of my original motion to vacate summary judgment entered against me and my wife Margaret Cirami in the amount of \$270,792.43, plus statutory interest. Attached hereto is a copy of my April 28, 1975 Affidavit.

2. In my April 28, 1975 Affidavit I stated that "Mr. Newman and I met on some three occasions including the initial conference at which time we only discussed personal background information".

3. The only reference made by Mr. Newman during such conferences to the pending case against me and my wife was that the matter was being taken care of, or words to that effect.

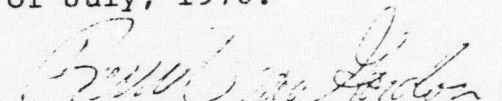
4. On several occasions I attempted to contact Mr. Newman as to the status of my case. At no time was I able to speak with him. As a result of my problems reaching Mr. Newman, I contacted Mr. Louis De Stefano who secured Mr. Newman as my counsel. Mr. De Stefano advised me that he had contacted

Mr. Newman and that everything was fine and not to worry. I relied on these statements since I know nothing of such procedures.

5. I had absolutely no knowledge, until June 10, 1976 when I read Mr. Newman's Affidavit which accompanies this motion, as to why he chose never to respond to the government's motion for summary judgment.


Salvatore Cirami

Subscribed and sworn to
before me, the 28th day
of July, 1976.


Notary Public

BARRY DEAN GORDON
Notary Public, State of New York
No. 4618913
Qualified in Westchester County
Commission Expires March 30, 1977

STATE OF NEW YORK)
COUNTY OF NEW YORK) ss.:

WALLACE MUSOFF and BARRY GORDON, being duly sworn,
depose and say:

1. Each is a member of the bar of the State of New York and admitted to practice before this Court, and is with the firm of Wagman, Cannon & Musoff, P.C., 136 East 57th Street, New York, New York 10022.

Your deponent, Wallace Musoff, during approximately November 1974 instructed his associate David Kipper to contact Peter Newman, Esq. for the purpose of ascertaining his reason for allowing the government to take summary judgment in U.S. v. Cirami, et al., Civil Action No. 73 Civ. 274, E.D.N.Y. Upon being informed by Mr. Kipper that he was unable to contact Mr. Newman, your deponent made several telephone calls to Mr. Newman's office, also to no avail.

2. Your deponents first met with Peter Newman on May 27, 1976 at his offices, 350 East Old Country Road, Garden City, New York. The meeting was acceded to by Mr. Newman after your deponents apprised him of the substance of the opinion in United States v. Salvatore Cirami, et al., Docket No. 75-6104 (May 10, 1976) and vigorously insisted upon such a meeting.

3. The purpose of the conference was to ascertain the reasons why Mr. Newman did not oppose the government's motion for summary judgment filed in the captioned case. During said meeting, your deponents inquired of Mr. Newman as to why he did not oppose the government motion for summary judgment. Mr. Newman stated he was reluctant to disclose the reasons. Eventually Mr. Newman stated that he did not oppose the government's motion because of an alleged agreement reached between Mr. Newman and government counsel whereby the latter would, notwithstanding the taking of a default judgment, seek to collect only the amount of tax actually due the Internal Revenue Service. Because of the inherent incredulity of his explanation, Mr. Newman was asked to secure the dates of his meetings and the names of the individuals he met with at the Department of Justice. He was also informed that he would be expected to give his explanation under oath and could anticipate forceful cross-examination by the government. Apropos of that, he was asked whether there was anything embarrassing in his background. He replied that he was the subject of charges before the Bar Association but refused to disclose the

nature of such charges.

4. On June 8, 1976, as a result of the prior meeting of May 27, 1976, Mr. Newman met with your deponents at their offices. He was asked for the names and dates of the individuals who allegedly agreed to the arrangement alluded to in the May 27, 1976 meeting.

5. Mr. Newman thereupon disclosed that the real reason he did not oppose the motion for summary judgment was a result of his suffering from a mental disorder which manifested itself in his failure to complete work for not only the Ciramis but other clients. Mr. Newman also stated that during this period of time he was utilizing the services of a psychiatrist to cure his illness.

6. Mr. Newman also disclosed that he had been charged before the Bar Association in connection with problems which emanated from his mental disorder. He hastened to add, however, that although he would sign an affidavit as to why he failed to oppose the Ciramis motion, he would not disclose in an affidavit his Bar Association problems.

7. On June 10, 1976, Mr. Newman executed the Affidavit which is attached to the Memorandum of Law as Exhibit F.

8. Your deponents informed Mr. Newman that we desired corroborative evidence from the psychiatrist who treated him as to the nature and dates of treatment.

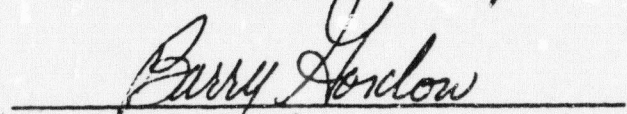
9. On June 29, 1976, your deponent, Barry Gordon, had a telephone conversation with Mr. Newman. Mr. Newman stated that he would mail the release to Wagman, Cannon & Musoff, P.C. Mr. Newman further stated that Dr. Zaker did not have the information concerning Mr. Newman's medical visits, but that the records were with Dr. Henry H. Reiter.

10. On July 6, 1976, this office received the release of Peter Newman which is attached to the Memorandum of Law as Exhibit G.

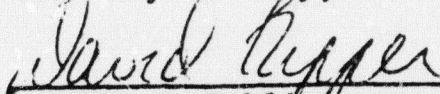
11. On July 6, 1976, your deponent, Wallace Musoff, wrote Dr. Reiter forwarding the release of Peter Newman.

12. On July 12, 1976, Dr. Reiter forwarded the information to your deponents concerning the dates of treatment and the fact Mr. Newman was treated. Attached to the Memorandum of Law as Exhibit H is the letter of Dr. Reiter.


Wallace Musoff


Barry Gordon

Seen to before me, this
28th day of July, 1976


Notary Public

DAVID L. KIPPER
Notary Public, State of New York
No. 31-4819810 New York County
Term Expires March 3 '976

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

----- x

UNITED STATES OF AMERICA, :

Plaintiff, :

v. :

AFFIDAVIT

CIVIL ACTION NO. 73 C 274

SALVATORE CIRAMI, MARGARET CIRAMI, :
JAMES CIRAMI and MASPETH FEDERAL :
SAVINGS AND LOAN ASSOCIATION, :

Defendants.

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STATE OF NEW YORK)
: ss:
COUNTY OF NEW YORK)

DAVID KIPPER, being duly sworn, deposes and says:

1. I am an attorney at law admitted to practice before the State of New York and this Court. I am associated with the law firm of Wagman, Cannon & Musoff, P.C., 136 East 57th Street, New York, New York.

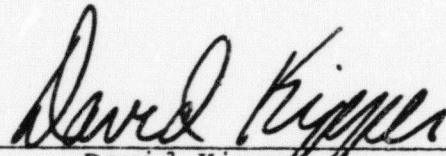
2. In and about November and December 1974 and January 1975, and at the direction of Wallace Musoff, Esq., I called Peter Newman, Esq. who then had offices in Mineola, New York, some six times.

3. The purpose of my telephone calls were to secure information relating to Mr. Newman's failure to diligently prosecute the defense of the Ciramis in connection with the suit brought by the United States of America in the Eastern District of New York, Civil Action No. 73 C 274.

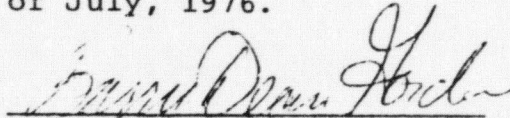
4. Each time I reached his office by telephone I was requested to leave my name, telephone number and matter involved, which I did.

5. At no time were any of my telephone calls returned by Mr. Newman.

6. After informing Mr. Musoff of my inability to contact Mr. Newman, I observed Mr. Musoff telephone Mr. Newman's office and also give his name and telephone number to the person who answered his call.


David Kipper

Subscribed and sworn to
before me, the 28th day
of July, 1976.


Notary Public

BARRY DEAN GORDON
Notary Public, State of New York
No. 4618913
Qualified in Westchester County
Commission Expires March 30, 1978

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

-----x

UNITED STATES OF AMERICA, :

Plaintiffs, :
-against- :

AFFIDAVIT

SALVATORE CIRAMI, MARGARET CIRAMI, :
JAMES CIRAMI and MASPETH FEDERAL SAVINGS AND LOAN ASSOCIATION, :

CIVIL ACTION NO. 73 C 274

Defendants. :
-----x

STATE OF NEW YORK)
) ss.:
COUNTY OF KINGS)

LOUIS DeSTEFANO, being duly sworn, deposes and says:

1. I am an accountant and have offices presently located at 26 Court Street, Brooklyn, New York, and at all times hereinafter mentioned I was a practising accountant in Brooklyn, New York.

2. Sometime in the early part of 1966, I was retained by Mr. Salvatore Cirami in connection with a tax audit then being conducted by the Internal Revenue Service which was reviewing the tax reports for the years 1961 through 1963 of Salvatore Cirami and Margaret Cirami, his wife.

3. I was retained to review the audit being made by the Internal Revenue Service agent, Mr. Edward Carroll. Mr. Carroll and I worked on this audit and we had many meetings thereon. Mr. Cirami did not attend any of those meetings and he left all matters as to accounting, tax and appropriate related matters entirely in my hands. His instructions to me were to handle it because he was leaving this entire situation to my

Exhibit E

professional judgment and I assured him that I would handle it promptly and efficiently and not to worry about any details.

4. From the early part of 1966 until sometime in September 1966, I received approximately twenty telephone calls from Mr. Ciriaco who made repeated inquiries as to the status of the tax audit. I advised him that I was handling the matter, that it was under control, that he should not worry about it and that I was taking care of it.

5. During the latter part of September 1966, I received a telephone call from Mr. Ciriaco who reported receiving a letter dated September 14, 1966 showing deficiencies for the years 1961, 1962 and 1963. I instructed Mr. Ciriaco to mail that letter to me immediately and that I would take care of it and not to worry about it. I did receive that letter shortly thereafter.

6. Under date of September 21, 1966, I wrote a letter to the District Director of Internal Revenue Service in which I replied to the Internal Revenue Service deficiency letter and disputed the determination of deficiency made by the Internal Revenue Service and asked for a conference and/or a re-audit.

7. Thereafter, under date of September 28, 1966, I received a letter from the District Director of Internal Revenue Service acknowledging receipt of my letter dated September 21, 1966 and also advising me that proper consideration will be made and that I would be advised as to the action taken at a later date.

8. In November 1966, I had a meeting with the

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Internal Revenue Service agents at their offices at 35 Tillary Street, Brooklyn, New York, regarding this tax audit and alleged deficiency.

9. Following that meeting, I received very many telephone calls from Mr. Ciriaco who continued to inquire as to the status of the tax claims and I assured him that I was handling this matter for him, that I had not heard from the Internal Revenue Service about it, and that he should not worry about it because it was under my professional observation and control.

10. Then, during the month of March 1973, I received a telephone call from Mr. Ciriaco who reported that he was served with a Summons and Complaint in the above entitled action and he asked me to explain why this was done and why did this situation get to such a proceeding. I replied that I knew nothing about this action, that I would find out about it and would call him back on it.

11. The next day I called Mr. Ciriaco, told him that this was now a matter for the Court, that I was not a lawyer, that he must be represented by proper counsel and that I would recommend a good lawyer to handle this case. He replied that he must rely upon me and asked me to set up a meeting for all of us to review and discuss this matter.

12. A few days later, in March 1973, I met Mr. Ciriaco and I brought along Mr. Peter R. Newman, an attorney who was highly recommended to me by Carl N. Mione, Esq., a friend and an attorney with whom I shared the same office suite. Mr. Mione praised Mr. Newman to be a seasoned and skilled tax lawyer who handles important tax cases and can be relied on. I explained

to Mr. Ciriame that I had previously discussed this situation with Mr. Newman, that Mr. Newman said he was interested to handle this case, and that it was my opinion from the recommendations on Mr. Newman's previous record and my discussions with him prior to the meeting that he would be able to handle this litigation properly and efficiently and in a lawyer-like manner. Based upon our discussions at this meeting and my declarations to Mr. Ciriame, Mr. Peter R. Newman was retained by Mr. Ciriame to represent all the defendants, except the bank, and Mr. Ciriame also retained me to work with Mr. Newman on the accounting aspect.

13. In the latter part of March or the early part of April 1973, a meeting was held in my office in Brooklyn, New York, which was attended by Mr. Ciriame, Mr. Newman and me. A discussion ensued on the audit made by the Internal Revenue Service agent, Mr. Edward Carroll.

14. Thereafter, approximately three months later, towards the end of the summer of 1973, I received a telephone call from Mr. Ciriame telling me that he has been trying to get in touch with Mr. Newman, but was unable to speak to him; it appeared that Mr. Newman never answered any of Mr. Ciriame's urgent telephone calls; and Mr. Ciriame wanted to know what was going on in the defense of this action. I then called Mr. Newman who assured me that everything was being taken care of and I relayed this message to Mr. Ciriame.

15. Following this conversation with Mr. Ciriame wherein he complained about his inability to communicate with Mr. Newman, I kept getting three and four telephone calls each and every week for approximately the next six months and each time I had to reassure Mr. Ciriame that he was unduly upset and

that this case was being handled properly by Mr. Newman who gave me these assurances constantly.

16. Sometime in the early part of 1974 I learned, to my great surprise, that a default judgment was obtained by the government against Mr. Cirami and the other defendants because of the default by Mr. Peter R. Newman in the handling of this case.

17. I wish to disclose to this Court that at no time did I have any knowledge nor inkling nor suspicions about any default or failure on the part of Peter R. Newman, the attorney in this case. On the contrary, because of the many telephone calls from Mr. Cirami who kept asking me to get reports from Mr. Newman because he was unable to reach him, I succeeded in contacting Mr. Newman who assured me and kept reassuring me that he had everything under control and not to worry about it and to have me report this to Mr. Cirami, which I did. There was never any reason for me to doubt or question the validity, sincerity or actions of Mr. Newman.

18. I am all the more amazed at those subsequent events of default, especially when Mr. Cirami disclosed to me the affidavit of Peter R. Newman, sworn to on June 10, 1976, which disclosed that Mr. Newman, during the critical period of time when he was in charge of this case, was "undergoing psychoanalysis for a psychiatric disorder." Had I known of that infirmity, or been aware of it, or had any reasons to suspect it, or had any scintilla of evidence that something was wrong with Mr. Newman, I would immediately have communicated

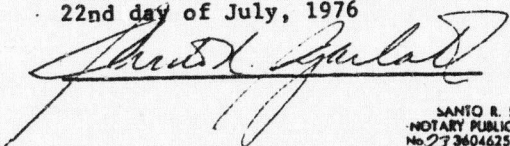
this to Mr. Cirami and sought some other means to proceed in this case.

19. It is noteworthy to observe that Mr. Cirami was my client; it was I who disputed the tax deficiency from the Internal Revenue Service; I had the necessary information and accounting records to dispute the accuracy and validity of the Internal Revenue Service claims; I was and still am ready, able and willing to prove the validity of the defendants' case; I am the party who recommended Mr. Peter R. Newman as the lawyer whom I believed best suited to handle this case for the defendants; I am the party who was working with and collaborating with Mr. Newman to prepare the defense; I was never aware nor given any reasons to be aware of the psychiatric problems (now disclosed) of Mr. Newman; and any delays of weeks or months in a tax case of this nature is not and has never been any unusual situation.

20. I still firmly believe that the defendants have meritorious and valid defenses and claims and am ready, able and willing to help the defendants in presenting their case to this Court.

WHEREFORE, I respectfully submit that the defendants should be granted the right to reopen because, as I have revealed above, Mr. Cirami and I did everything any normal person in the same circumstances could and should have done to protect themselves in any lawsuit.

Sworn to before me this
22nd day of July, 1976



SANTO R. SGARLATO, JR.
NOTARY PUBLIC, State of New York
No. 273604625 - Qual. in *NY*
Commission Expires March 30, 1977

STATE OF NEW YORK)
 : ss.:
COUNTY OF NEW YORK)

I, PETER R. NEWMAN, being duly sworn, depose and say:

I am an attorney-at-law admitted to practice in the State of New York and before this Court.

I have read the recent Court of Appeals decision in United States vs. Cirami et al.

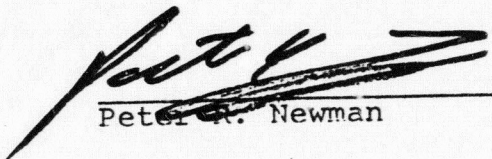
Since I am the attorney referred to in the opinion, I contacted Mr. Wallace Musoff, the present attorney for Mr. Cirami, to offer an explanation of the circumstances surrounding my failure to respond to the government's Motion for Summary Judgment so that my former client would not be unfairly injured through no fault of his own.

During 1972 and 1973 I was undergoing psychoanalysis for a psychiatric disorder. The chief manifestation of my disorder was that I was unable to complete work that I had started. I would promise that work would be completed, fully intending to complete same, and then, somehow the promise would never be fulfilled.

The reason for my default in not answering the government's Motion for Summary Judgment was the existence of my mental disorder. This problem naturally had an adverse effect on my practice.

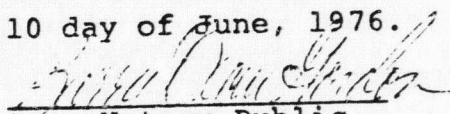
My analyst was Dr. Joseph ^{2H} ~~2H~~ ^{2H} ~~2H~~, who was then located on Green Hill Road, East Hills, New York.

I had not informed other people for the reason for my default prior to my discussion with Mr. Musoff on June 8, 1976.


Peter H. Newman

Sworn to before me this

10 day of June, 1976.


Notary Public

BARRY DEAN GORDON
Notary Public, State of New York
No. 4618913
Qualified in Westchester County
Commission Expires March 30, 1977

A-205

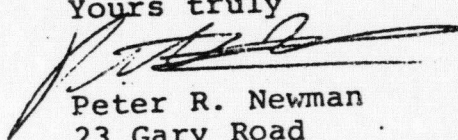
Dr. Henry Reiter
East Hills Consultation Center
70 Glen Cove Road
East Hills, N.Y.

Dear Dr. Reiter:

This letter is to serve as your authorization to release to Wallace Mussoff Esq., information contained in your files pertaining to the fact of treatment and the dates of treatment only.

If you have any questions pertaining to this matter, please feel free to contact me personally.

Yours truly



Peter R. Newman
23 Gary Road
Syosset, N.Y. 11791

HENRY H. REITER, PH.D.
EXECUTIVE-DIRECTOR

A-206

HAROLD A. PIKE, M. D.
MEDICAL DIRECTOR

EAST HILLS CONSULTATION CENTER
70 GUINEA WOODS ROAD
ROSLYN HEIGHTS, N. Y. 11577
TELEPHONE (516) 621-0620

July 12, 1976

Wagman, Cannon and Musoff, P.C.
136 E. 57th St.
New York, N.Y. 10022

Re: Peter Newman

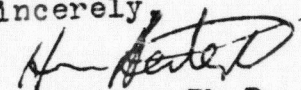
Dear Sirs:

In reply to your written request of July 6th and in accordance with the written release of information request signed by Mr. Newman, the following data is available.

Peter Newman was, in fact, in treatment here from October 2, 1969 through September 23, 1971.

I trust that this information will be of some help to all concerned.

Very sincerely,


Henry H. Reiter, Ph.D.

HHR:gs

A-207

July 6, 1976

Dr. Henry H. Reiter
East Hills Consultation Center
70 Glen Cove Road
East Hills, New York

Re: Peter Newman

Dear Doctor Reiter:

Enclosed herewith is an authorization from Mr. Newman permitting you to release information concerning the diagnosis and intensity of Mr. Newman's treatment and the dates thereof.

I understand that you have been in the process of assembling this data in anticipation of the release. It would be appreciated if you forward the information to us as soon as possible.

If you have any further questions in this regard, please contact me as soon as possible.

Very truly yours,

WM:db
Enclosure

Wallace Musoff

SPECIAL DELIVERY

----- x
:
UNITED STATES OF AMERICA, :
:
Plaintiff : CIVIL ACTION NO. 73 C 274
:
v. :
:
SALVATORE CIRAMI, MARGARET : OPPOSITION TO MOTION TO VACATE
CIRAMI, JAMES CIRAMI and :
MASPETH FEDERAL SAVINGS :
AND LOAN ASSOCIATION, :
:
Defendants :
----- x

Comes now the plaintiff, United States of America, by and through its attorney, David G. Trager, United States Attorney for the Eastern District of New York, and hereby opposes the defendants' motion to vacate pursuant to Rule 60(b)(6) of the Federal Rules of Civil Procedure on the following grounds:

1. Grossly negligent conduct on the part of counsel is not a basis for relief under Rule 60(b)(6) of the Federal Rules of Civil Procedure.
 2. The doctrine of the "law of the case" precludes further proceedings in this cause.
 3. Defendants' motion for relief under Rule 60(b)(6) of the Federal Rules of Civil Procedure is untimely.
- A memorandum of law in support of plaintiffs' opposition to defendants' motion to vacate is attached herewith.

DAVID G. TRAGER
United States Attorney

By:

Assistant United States Attorney

A-209

MEMORANDUM OF LAW IN SUPPORT OF OPPOSITION TO MOTION TO
VACATE JUDGMENT (pp. A209-A222)

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

- - - - - x

UNITED STATES OF AMERICA,	:	
Plaintiff	:	CIVIL ACTION NO. 73 C 274
v.	:	
SALVATORE CIRAMI, MARGARET	:	MEMORANDUM OF LAW IN SUPPORT
CIRAMI, JAMES CIRAMI and	:	OF OPPOSITION TO MOTION TO
MASPETH FEDERAL SAVINGS	:	<u>VACATE JUDGMENT</u>
AND LOAN ASSOCIATION,	:	
Defendants	:	
	:	

- - - - - x

Defendants, Salvatore and Margaret Cirami, have filed a motion pursuant to Rule 60(b)(6) of the Federal Rules of Civil Procedure to vacate a final judgment entered on June 12, 1974 against them in favor of the United States in an action arising out of a tax deficiency. The United States has filed an opposition to defendants' motion and this memorandum of law is submitted in support of the Government's opposition.

STATEMENT OF FACTS

An action was commenced on February 28, 1973, by the United States filing a complaint in the District Court, pursuant to Section 7401 of the Internal Revenue Code of 1954 (26 U.S.C.) to reduce to judgment certain federal income tax assessments against Salvatore and Margaret Cirami (Salvatore and Margaret), to set aside as fraudulent a conveyance of certain real property to their son, James Cirami (James), to foreclose federal tax liens against such real property and to obtain

a personal judgment against James for the proceeds of a mortgage he executed upon such real property. By their answer, filed on March 20, 1973, through their then attorney, Peter R. Newman (Newman), Salvatore, Margaret and James denied the essential grounds of relief as alleged in the complaint. ^{1/}

On December 28, 1973, the United States filed its motion for partial summary judgment to reduce to judgment the tax assessments outstanding against Salvatore and Margaret. The affidavit of William M. Wolf (Wolf), Acting District Director of Internal Revenue for the District of Brooklyn, New York, was filed in support of the motion. As established in that affidavit, there were federal tax assessments (plus penalties, assessed interest, and accrued interest to December 20, 1973) in the total amount of \$268,332.70 outstanding against Salvatore and Margaret ^{2/} for their taxable years ended December 31, 1961, 1962 and 1963, for which demand for payment had been made and which remained unpaid as of December 28, 1973. By its memorandum and order of March 18, 1974, this Court granted the Government's motion for partial summary judgment,

^{1/} In addition, Salvatore and Margaret asserted a counterclaim against the United States for refund of income taxes allegedly erroneously collected. Upon motion of the United States (Motion of May 17, 1973), the District Court dismissed this counterclaim (Order of October 2, 1973).

^{2/} Then husband and wife, Salvatore and Margaret filed joint returns for the years in issue.

"There being no opposition * * *." A final judgment was entered against Salvatore and Margaret in the total amount of \$270,792.43 on June 12, 1974. ^{3/}

By September 12, 1974, Newman had been replaced as counsel for taxpayers by Carl N. Mione (Mione). On October 4, 1974, former counsel for the Government, William R. Morrow, Jr. (Morrow), was informed by the law firm of Wagman, Cannon & Musoff, P.C. (Musoff) that Musoff was then representing Margaret and James and that Mione was representing Salvatore. Musoff filed an entry of appearance on December 23, 1974.

On May 1, 1975, Salvatore and Margaret, through their respective counsel, filed a joint motion, pursuant to Rule 60(b)(6), Federal Rules of Civil Procedure, to vacate the judgment entered against them on June 12, 1974. Subsequently, taxpayers introduced various records and miscellaneous papers of Air Freight Haulage Co. Air Freight Haulage Co. was a sole proprietorship of Salvatore during the years 1961, 1962 and 1963. The disallowance of various deductions with respect to Air Freight Haulage Co. gave rise, in substantial part, to the assessments involved in this case.

In addition, taxpayers introduced the affidavits of two accountants, Bernard Zipern (Zipern) and Seymour Unterberg (Unterberg). Zipern attested that his accounting firm

3/ In addition, this judgment stated " * * * it being expressly determined that there is no just reason for delay it is * * * ORDERED, ADJUDGED AND DECREED that said final judgment against defendants Salvatore and Margaret Cirami be entered forthwith."

(Zipern & Cooper) had audited the books and records of Air Freight Haulage Co. during the years 1962 and 1963, and had maintained the check disbursements journal for the period January, 1963 through November 12, 1963. Unterberg attested that he audited the books and records of Air Freight Haulage Co. during the years 1961 and 1962 and that during that period he used the check disbursements journal and the check stubs to verify check disbursements. In addition, Unterberg purported to substantiate virtually all of the claimed business expense deductions of Air Freight Haulage Co.

By its memorandum and order of October 6, 1975, this Court denied taxpayers' motion to vacate the judgment. This Court found that taxpayers had not shown the requisite "exceptional circumstances" for relief under Rule 60(b)(6), that their motion had not been made within a reasonable time as required by the rule, and that taxpayers had not shown a meritorious defense to the Commissioner's assessments.

Taxpayers appealed the District Court's order denying this motion. The United States Court of Appeals for the Second Circuit on May 10, 1976 affirmed the District Court's order. 535 F. 2d 736. The Second Circuit in its opinion stated that the defendants have utterly failed to establish any exceptional circumstances, nor has an affidavit submitted by Cirami created any questions of fact, which would require

any further proceedings. Consequently, the Court of Appeals refused to reverse or remand this case. Taxpayers did not file a petition for certiorari with the Supreme Court and instead have filed a second motion to vacate pursuant to Rule 60(b)(6) with this Court.

The second motion to vacate is based on allegedly newly discovered evidence concerning the reason former counsel, Newman, failed to oppose the Government's motion ^{4/} for summary judgment.

ISSUES

1. Whether grossly negligent conduct on the part of counsel is a basis for relief under Rule 60(b)(6) of the Federal Rules of Civil Procedure.

2. Whether the doctrine of the "law of the case" precludes further proceedings in this cause.

3. Whether defendants' motion for relief under Rule 60(b)(6) of the Federal Rules of Civil Procedure is untimely.

ARGUMENT

I

GROSSLY NEGLIGENT CONDUCT ON THE PART OF COUNSEL IS NOT A BASIS FOR RELIEF UNDER RULE 60(b)(6) OF THE FEDERAL RULES OF CIVIL PROCEDURE

^{4/} Taxpayers in their memorandum have stated that their prior memorandum of points and authorities submitted in support of their original motion pursuant to Rule 60(b)(6) and the documentation submitted therewith is incorporated by reference. The issues raised in their previous memorandum have sufficiently been briefed by the Government at the district as well as the Court of Appeals level and therefore will not be dealt with at this time. However, the arguments of the Governments raised then are also incorporated by reference to this memorandum of law.

Rule 60(b)(6) of the Federal Rules of Civil Procedure permits a party to be relieved from a final judgment basically for the following reasons (corresponding to the subdivisions of the Rule): (1) "mistake, inadvertence, surprise, or excusable neglect"; (2) "newly discovered evidence which by due diligence could not have been discovered in time to move for a new trial under Rule 59(b)"; (3) "fraud * * * misrepresentation, or other misconduct of an adverse party;" (4) "the judgment is void"; (5) the judgment has been satisfied, released, or discharged * * *" or (6) "any other reason justifying relief from the operation of the judgment." The present motion made was pursuant to subdivision 6 of Rule 60(b) which while general in terms is properly applicable only upon a showing of "exceptional circumstances." Rinieri v. News Syndicate Co., 385 F. 2d 818, 822 (C.A. 2, 1967); Ackermann v. United States, 340 U.S. 193, 202 (1950).

The present motion made is based upon certain affidavits of present and former counsel of the Ciramis, an accountant of Ciram, and Ciram.

From a reading of the affidavits and defendants' memorandum of points and authorities, it is apparent that the exceptional circumstances relied upon by the defendants here is the fact that their then counsel, Newman, permitted the United States to take summary judgment by default for the reason that Newman was suffering from a mental disorder during the time the motion for summary judgment was made, which disorder manifested itself in his

failure to complete work promised to his clients. Consequently, the reason for Newman allowing the default was because of grossly negligent conduct, the manifestation of his illness.

Therefore, defendants by alleging the above facts are trying to come within the L.P. Steuart, Inc. v. Matthews holding, 329 F. 2d 234 (C.A. DC, 1964); cert. den., 379 U.S. 824 (1964). The Court in Steuart held that where the conduct of counsel is grossly negligent, there may be a basis for relief under Rule 60(b)(6).

The Court of Appeals for the Second Circuit in their prior consideration of this matter noted that "we cannot find that the Court below abused its discretion in denying the relief requested. On the record before us we are totally uninformed of the reasons for the failure of the appellants' former counsel to contest the motion for summary judgment or whether the failure was deliberate or inadvertent." p. 739.

The defendants are now trying to supplement the record in order to demonstrate grossly negligent conduct, the original record being devoid of any evidence which would demonstrate grossly negligent conduct.

However, defendants have apparently misread and misinterpreted the decision of the Court of Appeals in their prior consideration of this matter.

The question of the extent to which the error of counsel may constitute a basis for Rule 60(b) relief is somewhat vexing. Normally, the motion would be made pursuant to Rule 60(b)(1), on the theory that counsel's error constituted a mistake or excusable neglect.^{5/}

The Second Circuit has rather consistently refused to relieve a client of the burden of a final judgment entered against him due to the mistake or omission of his attorney by reason of the latter's ignorance of the law or the rules of the court, or his inability to efficiently manage his caseload. United States v. Erdoss, 440 F. 2d 1221 (C.A. 2, 1971), cert. denied, 404 U.S. 849 (1971); Schwarz v. United States, 384 F. 2d 833 (C.A. 2, 1967); Dal International Trading Co. v. Sword Line, Inc., 286 F. 2d 523 (C.A. 2, 1961); Benton v. Vinson, Elkins, Weems & Searls, 255 F. 2d 299 (C.A. 2, 1958), cert. denied, 358 U.S. 885 (1958). The same rule can be found outside this Circuit as well, e.g., Cline v. Hoogland, 518 F. 2d 776, 778 (C.A. 8, 1975) (collecting Eighth Circuit cases) ("Ignorance or carelessness of an attorney is generally not cognizable under Fed. R. Civ. P. 60(b)."). This approach is supported by the opinion of Mr. Justice Harlan for the Court in Link v. Wabash R.R., 370 U.S. 626, 633-34 (1962) where he commented:

There is certainly no merit to the contention that dismissal of petitioner's claim because of his

^{5/} However, a motion made by defendants pursuant to Rule 60(b)(1) would be untimely since this subdivision requires that the motion be made within one year after the judgment.

counsel's unexecuted conduct imposes an unjust penalty on the client. Petitioner voluntarily chose this attorney as his representative in the action, and he cannot now avoid the consequences of the acts or omissions of this freely selected agent. Any other notion would be wholly inconsistent with our system of representative litigation, in which each party is deemed bound by the acts of his lawyer-agent and is considered to have "notice of all facts, notice of which can be charged upon the attorney," (Citation omitted.)

While Link was not a Rule 60 case, 370 U.S. at 635-36, its reasoning has been found applicable to that Rule by Professor Moore, who has commented extensively on the issue, 7 J. Moore, Federal Practice ¶60.27[2] at 365-72.

At the same time there is authority for the proposition that where the conduct of counsel is grossly negligent, there may be a basis for relief under Rule 60(b)(6). The leading case for this proposition is L.P. Steuart, Inc. v. Matthews, supra. Professor Moore finds Steuart "logically irreconcilable" with Link v. Wabash R.R. and the Second Circuit's opinion in Schwarz v. United States, supra. 7 J. Moore, supra at 369.^{6/}

The question before the Court of Appeals for the Second Circuit in considering the District Court's order denying the first motion for relief under Rule 60(b)(6) was should they follow Steuart and hold that grossly negligent conduct of counsel warrants the relief sought.

^{6/} Schwarz itself simply distinguished Steuart on the grounds that the latter case involved a holding that the district court did not abuse its discretion in granting a motion to reinstate a suit, whereas in Schwarz (as well as in the instant case) the motion had been denied. 384 F. 2d at 835.

The Court of Appeals while considering its holding in Vindigni v. Meyer, 441 F. 2d 376 (C.A. 2, 1971) and noting that gross negligent conduct is not evident from the record in this case specifically held that the Second Circuit at this time "will not follow the Steuart decision." pp. 740-741.

Consequently, the law of this circuit dictates that defendants' second motion for relief under Rule 60(b)(6) be denied. ^{7/}

II

THE DOCTRINE OF THE "LAW OF THE
CASE" PRECLUDES FURTHER PROCEEDINGS
IN THIS CAUSE

The rule prohibiting reconsideration of an issue when an appellate court has decided it is based on the principle of the "law of the case." This precludes a lower court from reconsidering matters decided by the appellate court and/or the introduction of further evidence, as was noted in Coleman v. United States, 405 F. 2d 72 (C.A. 9, 1968), cert. denied, 394 U.S. 907 (1969). It also prevents the lower court from receiving newly discovered evidence. In re Potts, 166 U.S. 263, 267 (1896); Banco Nacional de Cuba v. Fair, 383 F. 2d 166 (C.A. 2, 1967). When an appellate court has decided a point and its decision has become final, the lower court is bound by the appellate court's decision even though the losing

^{7/} We note that the affidavits submitted on behalf of defendants seem somewhat self-serving and conclusory whereby certain evidence necessary to demonstrate grossly negligent conduct has suddenly been submitted by way of these affidavits.

party alleges that a later Supreme Court decision would require a different result. Gaines v. Rugg, 148 U.S. 228, 244.

It is readily apparent that the policies requiring strict adherence to the "law of the case" doctrine and the policies behind the doctrine of res judicata are closely related. Both doctrines are aimed at putting an end to repetitious suits and the needless reconsideration of previously decided points. As the Supreme Court stated in Commissioner v. Sunnen with respect to res judicata, 333 U.S. 591, 597 (1948):

It rests upon considerations of economy of judicial time and public policy favoring the establishment of certainty in legal situations. The rule provides that when a court of competent jurisdiction has entered a final judgment on the merits of a course of action, the parties to the suit and their privies are thereafter bound * * *.

Defendants in this instance are asserting newly discovered evidence in the hopes of either having this Court vacate its final judgment entered on June 12, 1974 or allow an evidentiary hearing as to Newman's conduct. However, the defendants have had a full hearing on the merits before this Court at which time an ample opportunity was provided for the presentation of all relevant evidence. On appeal, this Court fully considered the facts and legal standards and applied the law to the record facts in this case. Therefore, "the law of the case" doctrine dictates that the relief requested by defendants be denied.

III

DEFENDANTS' MOTION FOR RELIEF UNDER
RULE 60(b)(6) OF THE FEDERAL RULES OF
CIVIL PROCEDURE IS UNTIMELY

Even if the doctrine "law of the case" is not applicable in this instance and grossly negligent conduct of counsel warrants relief under Rule 60(b)(6), defendants' motion for relief under Rule 60(b)(6) is still untimely. While there is no specific time period within which the motion must be made under Rule 60(b)(6), the rule does require that any such motion be made within a reasonable time. The movant must show a justifiable reason for delay. Rinieri v. News Syndicate Co., supra. Unexplained delays (Schildaus v. Moe, 335 F. 2d 529 (C.A. 2, 1964) (eight months)); Westerly Electronics Corp. v. Walter Kidde & Co., 367 F. 2d 269 (C.A. 2, 1966) (ten months)) or frivolous reasons for delay (Standard Newspapers, Inc. v. King, 375 F. 2d 115 (C.A. 2, 1967)) are sufficient to deny the motion.

With respect to the reasonableness of the delay in bringing their second motion, defendants argue that not until the Court of Appeals rendered its decision with respect to defendants' first motion for relief under Rule 60(b)(6) would former counsel Newman divulge the reason why he failed to oppose the Government's motion for summary judgment. However, defendants' argument to justify their two year delay in bringing this motion does not explain why present counsel for defendants was able to

so easily contact Newman and in fact meet with him on two occasions and yet was unable to contact him at an earlier occasion. The record presented is devoid of any references to prior meetings between Newman and present counsel whereby Newman refused to explain the circumstances behind the default judgment. Instead, the record seems to indicate that present counsel never contacted Newman until after the rendering of the Court of Appeals' decision. Surely, reasonable diligence on the part of present counsel is not evident in this instance and consequently defendants' motion must fail.

CONCLUSION

For the above reasons, the motion for an order vacating this Court's June 12, 1974 order or in the alternative to reopen this case for an evidentiary hearing should be denied.

DAVID G. TRAGER
United States Attorney

By:

Assistant United States Attorney

A-222

CERTIFICATE OF SERVICE

IT IS HEREBY CERTIFIED that Service of the foregoing
Opposition to Motion to Vacate and Memorandum of Law
in Support thereof have this 5th day of October, 1976,
been made by depositing a copy thereof, postage prepaid,
in the United States mail addressed to:

Wallace Musoff, Esquire
Wagman, Cannon & Musoff, P.C.
136 E. 57th Street
New York, New York 10022

Marc Albert

MARC E. ALBERT

REPLY MEMORANDUM IN SUPPORT OF THE DEFENDANTS' MOTION
TO VACATE SUMMARY JUDGMENT (pp. A223-A235)

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

- - - - -x

UNITED STATES OF AMERICA,	:	
Plaintiff	:	CIVIL ACTION NO. 73 C 274
v.	:	
SALVATORE CIRAMI, MARGARET CIRAMI:	:	REPLY MEMORANDUM IN
JAMES CIRAMI and MASPETH FEDERAL	:	SUPPORT OF THE DEFENDANTS'
SAVINGS AND LOAN ASSOCIATION,	:	MOTION TO VACATE SUMMARY
Defendants	:	<u>JUDGMENT</u>

- - - - -x

This Reply Memorandum is submitted in response to the government's Memorandum of Law in opposition to defendant's motion to vacate judgment, and concerns solely the arguments raised by the government.

POINT I

In its first point the government argues the general proposition that the "exceptional circumstances" necessary to obtain relief pursuant to Rule 60(b)(6) of the Federal Rules of Civil Procedure are not satisfied by a showing of "grossly negligent conduct" on the part of counsel, citing Link v. Wabash RR, 370 U.S. 626 (1962); Schwarz v. United States, 384 F.2d (2d Cir. 1967) and the dicta of the Second Circuit in United States v. Cirami, 535 F.2d 736 (2d Cir. 1976), 76-1 U.S.T.C. 84105; Contra, L.P. Steuart, Inc. v. Matthews, 329 F.2d 234 (D.C. Cir. 1964). The argument thereafter is made that the mental disorder under which Peter Newman, Esq. then counsel for the Ciramis, labored is at best "grossly negligent conduct."

It is submitted that the government's argument fails to perceive blatant distinctions between the cases that it relies upon and the instant case, and, in the final analysis, after a review of the facts and judicial rationale of such cases, the position of the defendants must prevail.

The leading case relied upon by the government is the Supreme Court's decision in Link v. Wabash Railroad Co., 370 U.S. 626 (1962). The government concludes that it is the view of the Supreme Court that a client's legal well-being is inexorably woven to the actions and inactions of his counsel; ergo, instant defendants must fail in their motion. The extrapolation of this conclusion from the opinion of the Court without an analysis of the total opinion heightens the weakness of the argument of the government.

In Link, the petitioner sought relief from a Rule 41(b) dismissal of his cause of action. Petitioner had sued respondent for injuries suffered in an accident. One year subsequent to institution of the cause of action respondent's motion for judgment on the pleadings was granted, which motion was reversed on appeal. Six years subsequent to the commencement of suit, the Court, giving the parties two weeks written notice, scheduled a pre-trial conference. Counsel for appellant notified the Court that although not engaged in litigation, he was preparing papers

to be filed in a matter, and would not appear at the conference. The Court, having waited two hours after the scheduled conference, with knowledge of the prior history, dismissed the action.

The Supreme Court, in affirming the dismissal took pains to note two salient facts. First, no motion pursuant to Rule 60 of the Federal Rules had been brought. Supra at 635-36. Second, the Court concluded

...that there is nothing in the record before us to indicate that counsel's failure to attend the pre-trial conference was other than deliberate or the product of neglect.

Finally, this is not a case in which failure to comply with a court order was due to inability fostered neither by...[petitioner's] own conduct nor by circumstances within its control...

Supra at 636. It is within this context that the government's cited rationale of Link must be read. Upon so doing, the Link case supports not the government, but the arguments of the defendants. The inability of Newman to defend the motion for summary judgment was not deliberate or a product of neglect. To the contrary, Newman was suffering from a mental disorder which manifested itself in his inability to function and complete his work. Newman was simply not in a position to control anything, least of all the defense of the Ciramis' case.

The government also cites Ackermann v. United States, 340 U.S. 194 (1950) and Schwarz v. United States, 384 F.2d 833 (2d Cir. 1967) as further support for denial

of defendant's motion. Neither case, in fact, supports the government's position. On the contrary, like Link, these decisions and the rationale for them support defendants' position.

In Ackermann v. United States, supra, the petitioner sought relief under Rule 60(b)(6) alleging that his failure to appeal a judgment of denaturalization was due to excusable neglect. The bases were that (1) petitioner could not afford to duplicate the record on appeal and (2) he relied on the Alien Control officer who allegedly stated that the appeal should be ignored since he would be released at the end of a war.

The Supreme Court denied petitioner's relief stating that by allegedly relying on a government official, who was a stranger he took a "calculated and deliberate" risk which was made freely. Supra at 198. The factual context is clearly inapposite to the instant situation. Newman's actions in not opposing the government's motion were neither calculated, nor deliberate, nor freely made. There was no decision on the part of Newman not to oppose the motion for summary judgment. His mental state precluded any decision.

In Schwarz v. United States, 384 F.2d 333 (2d Cir. 1967), the Rule 60(b) motion was denied in the following factual setting:

An action had been commenced in January of 1962

and was dismissed for lack of prosecution in August, 1963, because of counsel's "leisurely attempts to locate witnesses." The case, however, was restored to the docket. A pre-trial conference was scheduled in December, 1967, more than three years after the restoration of the case to the calendar. Defense counsel thereafter contacted petitioner's counsel's office and was informed that no one in the office was familiar with the case and no one would attend the conference. However, petitioner's counsel requested trial be set on January 20, 1967 which the Judge did. On January 19, 1967, defense counsel was informed that petitioners were not ready for trial. On January 20, the Court upon learning of the case history dismissed the case for failure to prosecute.

The Court of Appeals found that there was no abuse of discretion in dismissing this case finding as a fact that counsel had "ignored his responsibility...to prepare for trial." Supra at 836. Schwarz, like United States v. Erdoss, 440 F.2d 1221 (2d Cir. 1971); Dal International Trading Co. v. Sword Line, Inc., 286 F.2d 523 (2d Cir. 1961); Benton v. Vinson, Elkins, Weems & Searls, 255 F.2d 299 (2d Cir. 1958), cases cited by the government, concerned mistakes and omissions of counsel by reason of ignorance of laws, rules of the court or inability to manage caseload. Each case is therefore, distinguishable from the instant facts where counsel's inability to

defend is due to a mental disorder.

The government concludes that defendants in asserting the newly discovered facts as to why Newman failed to appear attempted to come within the rationale of L.P. Steuart, Inc., v. Matthews, 329 F.2d 234 (D.C. Cir. 1964). Defendants, however, submit that the instant facts are far more favorable than Steuart, and, consequently, even if the Second Circuit chooses not follow the Steuart decision, given the same facts, Rule 60(b)(6) relief should be granted to the Ciramis.

In Steuart, Rule 60(b)(6) relief was granted where counsel had failed to prosecute his clients' action resulting in a dismissal of the complaint because counsel "had been 'beset with personal problems' which involved a serious illness of his wife and the recent deaths of his parents." Supra at 235. There was no allegation that these personal problems resulted in a mental disorder precluding action by counsel in Steuart. The incapacity to function as opposed to the lack of desire to function is clearly the distinction between the instant case and Steuart.

The "mental disorder" of Newman is more analogous to the situation in Vindigni v. Meyer, 441 F.2d 376 (2d. Cir. 1971) where Rule 60(b)(6) relief was granted. In Vindigni, counsel for plaintiff sometime after commencement of the

action was "no longer attending to his practice and had reportedly 'disappeared'." Supra at 377. Newman, by his affidavit, disclosing that he was suffering from a "mental disorder" preventing him from completing his work, in effect, ceased, involuntarily, to represent the Ciramis. To effectually punish the Ciramis for the involuntary inability of their counsel to represent them is contrary to the rationale of Vindigni where counsel, for an unknown reason, voluntarily ceased to represent a client.

It is submitted that Rule 60(b)(6) was intended to give relief in the situation before this Court.

POINT II

The second argument asserted by the government in its opposition papers is that the principle of the "law of the case" precludes reconsideration of matters decided by an appellate court, or from the introduction of new evidence. In support thereof, the government cites four cases, Coleman v. United States, 405 F.2d 72 (9th Cir. 1968); In re Potts, 166 U.S. 263 (1896); Banco Nacional de Cuba v. Fair, 383 F.2d 166 (2d Cir. 1967); Gaines v. Rugg, 148 U.S. 228.

In each of the above cited cases, the Supreme Court mandate rule was involved, which as the Second Circuit noted in Banco Nacional de Cuba v. Fair, supra at 178:

is nothing more than one specific

application of a general doctrine
appellate courts apply to their
orders to lower courts, a doctrine
commonly referred to as the law
of the case...

However, in the instant case, no mandate of the Supreme Court was ever issued. Further, the definitive interpretation the government seeks to give to the doctrine, i.e., lower courts cannot receive newly discovered evidence, is not consonant with the intent of the principle of "law of the case."

In Naples v. United States, 359 F.2d 276, 277-78 n.1 (D.C. Cir. 1966), the Court defined "law of the case" as follows:

The term 'law of the case' merely expresses the practice of courts generally to refuse to reopen what has been decided, not a limit to their power...Unlike res judicata, the practice of law of the case does not compel rigid adherence to the prior decision 'because when a court becomes convinced that its declared law of the case is erroneous and would work grave injustice, it should have the power to apply a different rule of law in the interest of getting the very case before it settled in a just manner.'

In Uniform Sanitation Men Association v. Commissioner of State of New York, 426 F.2d 619, 628 (2nd Cir. 1970), this Circuit concluded the "law of the case" is not, contrary to the argument of the government herein, rigidly binding upon a Court. The doctrine is only addressed to its good sense. See Petition of Kinsman Transit Company, 388 F.2d 821 (2d Cir. 1968). Finally, in Poster Exchange, Inc., v.

National Screen Service Corp., 362 F.2d 571, 574

(5th Cir. 1966) the Court citing to the Second Circuit opinion in Higgins v. California Prune & Apricot Grower, Inc., 3 F.2d 896 (2d Cir. 1924) stated the law of the case should apply unless some good reason is shown why the prior ruling should not be followed.

It is submitted that the new evidence, why Newman failed to defend against the Motion for Summary Judgment, coupled with the proof previously submitted that the Ciramis in reality do not owe the judgment, is more than ample reason why the "law of the case" should not be followed, and why justice dictates a granting of the instant motion.

One final comment to an assertion made by the government in this segment of its argument is deemed appropriate. On page 11 of the government's memorandum it is stated:

However, the defendants have had a full hearing on the merits before this Court at which time an ample opportunity was provided for the presentation of all relevant evidence.

This statement is without foundation. The only time counsel ever appeared before Judge Bruchhausen was in chambers on May 27, 1975 at which time it was determined an analysis of the records presented would be submitted. Thereafter, Judge Bruchhausen denied defendants' motion on the papers submitted.

At no time was there ever a full evidentiary hearing where instant counsel had power of subpoena or the ability to take testimony.

POINT III

The government's final point is that defendants' Rule 60(b)(6) motion is untimely. In support thereof, the government argued that there is no explanation as to why it took present counsel two years to bring the instant motion, and why Newman was willing to discuss this case with instant counsel after the Court of Appeals decision and not before; consequently, the government concludes the motion is untimely.

First, the instant motion before this Court, as defendants' have noted, is a renewal of their earlier motion which this Court denied, and is predicated solely upon newly discovered evidence. Even the Court of Appeals, in affirming the decision of Judge Bruchhausen, concluded that the original motion was timely, i.e., brought within a reasonable time, the standard required under Rule 60(b)(6).

The government's statement that counsel never attempted to contact Newman prior to the rendering of the Court of Appeals decision is belied by the affidavits submitted and the government's memorandum of interview, Exhibit A to the Motion, showing Newman even refused to talk to the Court during the period he acted as counsel for the Ciramis. Further, once the telephone calls

were refused, what authority did counsel have to compel a meeting with Newman? The fact remains that when Newman learned about the Court of Appeals decision and its reference to him, he chose to speak to instant counsel. Even then, he did not immediately disclose the true reason for his default, his mental disorder. When he did make this disclosure, counsel sought verification of treatment which came in terms of a letter dated July 12, 1976, Exhibit H. Only then was the instant motion filed, less than three weeks after receipt of the doctor's letter. Finally, how does one secure information of medical treatment, subject to a physician-patient privilege, unless the patient voluntarily discloses the treatment?

Counsel, contrary to the government's assertions, took all appropriate steps to insure a spurious motion was not presented to this Court. Clearly, the instant motion, based upon the newly discovered facts, was brought within a reasonable time from the discovery of these facts.

CONCLUSION

WHEREFORE, it is prayed that this motion made pursuant to Rule 60(b)(6) be granted and judgment entered in the captioned proceeding on June 12, 1974 be vacated,

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or in the alternative, reopened for an evidentiary hearing.

Respectfully submitted,

WAGMAN, CANNON & MUSOFF P.C.
Attorneys for Defendants

By Wallace Musoff

OF COUNSEL:

WALLACE MUSOFF
BARRY D. GORDON

CERTIFICATE OF SERVICE

IT IS HEREBY CERTIFIED that service of the foregoing
Reply Memorandum In Support of the Defendants' Motion to
Vacate Summary Judgment has this 1st day of December, 1976,
been made by depositing a copy thereof, postage prepaid, in
the United States mail addressed to:

Honorable Scott P. Crampton
United States Department of Justice
Tax Division
Box 482
Washington, D.C. 20044
Attention: Marc E. Albert, Esq.

Marc E. Albert, Esq.
1521 27th Street, N.W.
Washington, D.C. 20007

Wallace Musoff
Wagman, Cannon & Musoff, P.C.
136 E. 57th Street
New York, N. Y. 10022
(212) 753-2900

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SUPPLEMENTARY MEMORANDUM IN SUPPORT OF OPPOSITION TO
MOTION TO VACATE AND SUPPORTING AFFIDAVIT (pp. A236-A260)

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

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UNITED STATES OF AMERICA, :

Plaintiff :

v. :

SALVATORE CIRAMI, MARGARET
CIRAMI, JAMES CIRAMI &
MASPETH FEDERAL SAVINGS &
LOAN ASSOCIATION, :

Defendants :

----- x

CIVIL ACTION NO. 73-C-274

SUPPLEMENTARY MEMORANDUM IN
SUPPORT OF OPPOSITION TO
MOTION TO VACATE

Defendants, Salvatore and Margaret Cirami, have filed a motion pursuant to Rule 60(b)(6) of the Federal Rules of Civil Procedure to vacate a final judgment entered on June 12, 1974 against them in favor of the United States in an action arising out of a tax deficiency. The United States has filed an opposition to defendants' motion. This memorandum is submitted to the Court for the purpose of supplementing the previous memorandum of the United States which accompanied its opposition.

I

As enunciated in our previous memorandum, the "law of the case" doctrine precludes this Court from granting the relief requested by defendants. "When, . . . a federal court enunciates a rule of law to be applied in the case at bar, it not only establishes a precedent for

subsequent cases under the doctrine of stare decisis, but, as a general proposition, it establishes the law which other courts owing obedience to it must, and which it itself will usually apply to the same issues in subsequent proceedings in that case." 1B J. Moore, Federal Practice §404(1) at 402-403 (2d ed. 1974). Further, the "law of the case" as established by a Court of Appeals may not be changed by a district court on remand after appeal on the basis of new evidence. United States v. Fernandez, 506 F. 2d 1200 (C.A. 2, 1974).

In Fernandez, the Court of Appeals was faced with the third encounter with the prosecution of Fred Fernandez. On February 25, 1971, Fernandez was indicted for his alleged participation in the Christmas Eve, 1970 holdup of the First Federal Savings and Loan Association on Kissena Boulevard in Queens. Since that time the Government had made four unsuccessful attempts to convict him. The first trial resulted in a hung jury; in the second and third trials, judgments of conviction were obtained, both of which were reversed on appeals to the United States Court of Appeals for the Second Circuit. The fourth attempt never reached trial. The United States District Court for the Eastern District of New York, Jack B. Weinstein, Judge, dismissed the indictment because of the Government's refusal to disclose the names of two "informants" who had from bank photographs identified a person other than Fernandez as

one of the bank robbers. The Government appealed the District Court's decision.

The Court of Appeals in its decision noted that the very question presented by the Government's appeal was before it on a previous appeal in that action. On that previous occasion the Court of Appeals held that the Government did not have to disclose the names of the informants and its ruling was to apply at the anticipated fourth trial. 480 F. 2d at 738-739. However, the trial did not occur for the reason that the district court, upon learning certain facts not before the Court of Appeals for the Second Circuit on the prior appeals, ruled that disclosure was necessary, and dismissed the indictment when the Government refused to comply. The new evidence consisted of the identities of the informants and admissions by the Government that the informants had agreed to talk only upon receiving assurances that they would not be called upon to testify; both material facts in deciding whether disclosure of the names of informants should be made to the defense.

Notwithstanding the District Court's decision, the Court of Appeals for the Second Circuit held that the district court could not, unless, of course authorized to do so by the terms of the remand, change the "law of the case" as established by the Court of Appeals on the basis of new evidence.

Although it is recognized that the case presently before this Court unlike Fernandez, was not remanded, both cases are exactly in the same posture whereby an issue has been decided by a Court of Appeals and subsequently the lower court is faced with the decision whether it can reconsider the decided issue because of new evidence. Therefore, as in Fernandez, the "law of the case" doctrine would be applicable.

As explained in our previous memorandum, the "exceptional circumstances" relied upon by the Ciramis in support of their position that the judgment entered in favor of the United States should be vacated, in the United States Court of Appeals was the fact that their former counsel, Newman, permitted the United States to take summary judgment by default for reasons described by defendants as unknown. The Court of Appeals noted that no affidavit of Newman which would cast any light on the circumstances of his failure to contest the Government's motion was submitted to the court nor were any affidavits from present counsel of defendants which would indicate what efforts, if any, have been made to elicit Newman's testimony, either voluntarily or under subpoena. Further, the affidavits of Cirami and his wife did not indicate what efforts were made by them to ascertain at the time the status of the matter or the activity, if any, of their then-counsel. The United States Court of Appeals for the Second Circuit therefore held

that the fact that defendant-taxpayers' counsel permitted the United States to take summary judgment for a tax deficiency by default did not constitute "exceptional circumstances" such as would permit relief from final judgment under the federal rule authorizing such relief for "any other reason" in absence of a record disclosing any reason for failure of former counsel to contest the motion for summary judgment or any effort to contact the former attorney to ascertain the status of the litigation.

Defendants by way of affidavits are now prepared to supplement the record in order to supply the information the Court of Appeals found missing. However, as is evident from the Fernandez case, this Court is precluded from considering this allegedly new evidence.

II

It is submitted that the memoranda and affidavits presented by defendants are contradictory and non-supportive for purposes of defendants' motion to vacate. Further, the affidavit of William R. Morrow, Jr., the former Department of Justice attorney handling this case for the Government in 1973, 1974 and 1975, which is attached to this memorandum, clearly disputes assertions made by defendants in support of their motion to vacate.

For instance, it should be noted that Newman in his affidavit claims he was suffering from a mental disorder and was consequently under psychoanalysis for this disorder during 1972 and 1973. According to Newman, this mental condition prevented him from "answering the Government's motion for summary judgment." However, the

Government's motion for partial summary judgment was not filed until December 28, 1973 and final judgment with respect to the Government's motion was not entered until June 12, 1974. Also, notwithstanding Newman's assertion that he was undergoing psychoanalysis for his mental disorder during 1972 and 1973, the affidavit of Dr. Henry H. Reiter submitted with the defendants' motion to vacate states Newman was in treatment from October 2, 1969 through September 23, 1971. Further, Musoff and Golan, by way of affidavits attached to defendants' motion to vacate assert that they apprised Newman of the substance of the opinion in United States v. Cirami, 535 F. 2d 736 (C.A. 2, 1976), and at that time "vigorously insisted upon a meeting in order to ascertain the reasons why Newman did not oppose the Government's motion for summary judgment." However, in Newman's affidavit, it is stated that Newman after reading the Court of Appeals decision in United States v. Cirami contacted Musoff to offer an explanation of the circumstances surrounding his failure to respond to the Government's partial motion for summary judgment.

Also, after a careful reading of William Morrow's affidavit, it becomes clear that Newman actively represented the Ciramis during 1973 through the Spring or Summer of 1974. He appeared at "Pre-Trial Conferences", gave argument, and submitted pleadings in opposition to a Government Motion. (Pages 3 and 4 of Morrow affidavit.) More importantly, upon

the Government moving for partial summary judgment on the tax deficiency against the Ciramis, Newman appeared at a scheduled "Pre-Trial Conference" on the motion and gave oral argument against the assessments. (Page 4 of Morrow affidavit.) Newman did advise the Court that since his clients could not come up with documentation he had nothing to submit. (Page 4 of Morrow affidavit.) Although Newman was given the opportunity at that time to present oral argument before the Court, Newman declined and then requested more time to obtain documentation so that he could prepare opposition pleadings. (Page 4 of Morrow affidavit.) Later, another "Pre-Trial Conference" was scheduled at Newman's request. (Page 5 of Morrow affidavit.) Prior to this conference, Newman advised Morrow that the Ciramis could give him nothing in the way of documentation to overcome the presumptive correctness of the assessment. (Page 5 of Morrow affidavit.) Again, after the motion for partial summary judgment was granted and judgment was entered in favor of the United States, Newman met with Morrow and at that time Newman said that there was no "way for him to knockout an assessment without documentation to overcome the presumption of the correctness of the assessment." (Pages 5 and 6 of Morrow affidavit.) Although Newman was subsequently replaced as counsel in the Cirami case, Newman was still practicing law in the New York area. (Page 7 of Morrow affidavit.)

A motion to vacate was subsequently filed by new counsel Newman and Gordon. (Page 10 of Morrow affidavit.) Oral argument in support of that motion was made by counsel. (Page 11 of Morrow affidavit.) Also, counsel for the Ciramis requested and were given by the Court time in order to gather documentary evidence to support their motion to vacate. (Page 11 of Morrow affidavit.) After additional papers and memoranda were submitted by the Ciramis and the Government, the Court denied in October of 1975 the defendants' Motion to Vacate. (Page 11 of Morrow affidavit.) The Ciramis did not file a motion for rehearing. (Page 11 of Morrow affidavit.)

A number of things become clear from a reading of these affidavits. First, the affidavit of Morrow seems to suggest that a mental disorder was not responsible for the failure of Newman to fully respond to the Government's motion for partial summary judgment, but rather the Ciramis' refusal to provide him with necessary documentation to support their position. In fact, from a reading of Newman and Reiter's affidavits, it is suggested that Newman was not suffering from a mental disorder during the period between the filing of the Government's motion for partial summary judgment and the entry of judgment in favor of the United States. Also, unlike the Vindigni v. Meyer case, 441 F. 2d 376 (C.A. 2, 1971) cited by defendants in support of their motion, Newman was still attending to his practice and had not disappeared after the institution of the Cirami action.

Further, the affidavit of Newman contradicts the affidavits of Musoff and Gordon whereby Newman states that he contacted present counsel for the Ciramis to explain why he did not respond to the Government's motion for partial summary judgment.

Therefore, even if the allegedly new evidence submitted by defendants for purposes of this motion to vacate was available prior to the time the defendants' first motion to vacate was filed or at least by the time this matter was considered by the United States Court of Appeals, it is submitted that the decision of the United States Court of Appeals would have remained the same. From the evidence available, Newman's previous conduct does not warrant nor does the non-diligence of present counsel warrant the relief requested by defendants.

CONCLUSION

Accordingly, it is respectfully submitted that the relief requested by defendants be denied by this Court.

DAVID G. TRAGER
United States Attorney

By:

Assistant United States Attorney

By:

Marc Albert

MARC ALBERT
Tax Division
Department of Justice

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

----- x

UNITED STATES OF AMERICA, :

Plaintiff :

v. :

CIVIL ACTION NO. 73-C-274

SALVATORE CIRAMI, MARGARET :
CIRAMI, JAMES CIRAMI & :
MASPETH FEDERAL SAVINGS & :
LOAN ASSOCIATION, :

Defendants :

----- x

CITY OF WASHINGTON)
) ss
DISTRICT OF COLUMBIA)

WILLIAM R. MORROW, JR., being duly sworn, deposes and
says:

I am a trial attorney in the Criminal Section, Tax
Division, United States Department of Justice at
Washington, D. C. and a member of the Bars of the State of
New York and the District of Columbia;

I was formerly assigned to the then General Litigation
Section of the Tax Division and had the responsibility for
civil tax litigation against Salvatore Cirami, Margaret
Cirami, James Cirami and the Maspeth Federal Savings &
Loan Association in the Eastern District of New York and
against Salvatore Cirami and certain mortgage holders in
the District of Puerto Rico;

Peter Newman, then of Garden City, Nassau County, New York appeared initially as the attorney for the Ciramis in both proceedings. He was succeeded by a member of the Commonwealth Bar shortly after that foreclosure was commenced in early 1973. He appeared at all proceedings in the Brooklyn action until the Spring of 1974. He presented himself as having been a Revenue Agent for the Internal Revenue Service for about five years with considerable experience in the income tax field and some background in the estate and gift tax areas;

The Cirami case was at all times assigned to the late Judge Bruchhausen. It was my experience that all matters before trial in that Court were noticed to the parties as "Pre-Trial Conferences" whether they be in the nature of a status inquiry by the Court or return dates for motions. Counsel on a particular matter would assemble in the Office of the Law Assistant, pleadings would be exchanged and submitted and discussion would be had thereon. At that point the Law Assistant, Mr. Pellegrino, would ask counsel if they desired to give oral argument to the Court. It has been my experience that some counsel do not want to give argument whereupon the particular motion is considered as submitted. Some time thereafter an opinion is rendered. In the event counsel desire argument, and do not request a transcript, all parties are then ushered into the Judge's Chambers. A decision is usually given

immediately after presentation, unless legal memos have been presented, in which case, as with both no oral argument and with proceedings in the courtroom before a stenographer, an opinion is issued some days later;

All but three of the "Pre-Trial Conferences" prior to May, 1974 were in the nature of status inquiries by the Court and at which Peter Newman appeared for the Ciramis. At these conferences Mr. Newman advised that two of his Cirami clients were engaged in a criminal tax proceeding and that this was the reason that he could not fix a mutual date for their depositions in this civil matter. The Ciramis have had about a half-dozen or so law firms and accountants representing them. Newman said he only represented the Ciramis in this civil tax proceeding. One pretrial was the return of the Government's Motion to Dismiss the Ciramis' Counterclaim, at which Newman appeared, gave argument without a Court stenographer, and submitted pleadings in opposition to the motion including an Affidavit of Salvatore Cirami notarized by attorney Carl Mione. The motion was granted. One or two status inquiry type "Pre-Trial Conferences" followed. The Government then moved for partial summary judgment on the tax assessments against Salvatore Cirami and Margaret Cirami. The "Pre-Trial Conference" for the return on this motion was triggered by the United States Notice of Motion to the parties, a customary pleading in New York Courts including the Eastern District;

Mr. Newman appeared on the return date, and together with the undersigned, entered the Law Assistant's office. He gave oral argument against the assessments but advised that since his clients could not come up with any documentation he had nothing to submit. Mr. Pellegrino asked if we wanted to give oral argument before the Court. Mr. Newman declined and requested more time to obtain documentation so that he could prepare opposition pleadings. He said his clients were considering making an Offer to Compromise the tax liabilities. Mr. Pellegrino asked what the offer would be and Mr. Newman replied that the Ciramis would offer \$1,000 to settle the taxes owed, which was somewhere in the neighborhood of \$200,000. I did not know then that the Ciramis had properties in excess of the taxes owed which would be the subject of successful allegations of fraudulent conveyances in subsequent amended Complaints in this action. Mr. Newman gave no indication that he knew either, and said he would try to get documentation to overcome the assessments from his clients. Mr. Newman said his clients had no cancelled checks, checkbooks and invoices as far as deductions were concerned. He said this was the reason he asked for the Revenue Agent's "workpapers," as he might find some glaring error which might not be obvious in the assessment. I had heard of "line adjustments" but not "workpapers" and Mr. Newman explained what they were.

I made a request to the Service for these and was told that Mr. Newman had previously asked for them, that a search had been made and that the "workpapers" could not be found. Another "Pre-Trial Conference" was scheduled by the Law Assistant at Mr. Newman's request;

I next met Mr. Newman by accident in the coffee-shop opposite Internal Revenue Service, the only one within a number of blocks of that Courthouse. He told me that the Ciramis could give him nothing in the way of documentation to overcome the presumptive correctness of the assessment;

On the second return date of this second motion Mr. Newman did not appear. Mr. Pellegrino called his office but could get nowhere;

Another couple of weeks went by and while in the Eastern District on another matter I was told to report to Judge Bruchhausen's Chambers. Mr. Pellegrino called Mr. Newman's office in my presence and unsuccessfully inquired of his secretary if she had prepared pleadings in the Cirami matter. He then advised me this second motion, a Motion for Partial Summary Judgment on the tax assessments would be marked submitted to the Court. The Motion was granted on notice. The judgment was not entered until July, 1974, on 5 days notice;

I met Mr. Newman again on the street, either on Tillary or Adams, outside of Brooklyn Internal Revenue Service. We discussed the Cirami case very briefly.

Mr. Newman said he could do nothing if the Ciramis would not give him anything to work with, and that if they did he wanted to know if he could stop in my office in Washington. He definitely gave me the impression he was having problems with the Ciramis. There was mention of vacation but I cannot recall what was said. I do recall him saying that there was no way for him to knock out an assessment without documentation to overcome the presumption of correctness on a motion for summary judgment;

The only contacts I had with Mr. Newman thereafter was in sending him Notices of Depositions. On the afternoon of the day prior to the return date of the first Notice I received a phone call in Washington from Carl Mione in Brooklyn, who advised he now represented the Ciramis and requested adjournment of the depositions. He said he orally advised Assistant United States Attorney Illmensee also. I told him to file his notice of appearance and consents to the substitution of attorney by Newman and by the Ciramis and gave Mr. Mione the two weeks or so he requested. I then Noticed, for this adjourned Deposition, all parties by their attorneys including both Mione and Newman. Again, just immediately prior to this adjourned date, I received a call in Washington from the Wagman firm in Manhattan advising they represented the Ciramis, and would appear at the depositions though they would prefer it

adjourned. They were also asked to file the necessary representation papers. I continued to Notice Newman, as I would any attorney or party of record, until the new attorneys filed their appearances some four months later including the consent to substitution signed by Newman. There was considerable talk of a malpractice suit against Newman by the new attorneys for the Ciramis.

I do know that attorney Newman was still practicing as I was later assigned a case to protect tax liens of the United States in a state court proceeding (Suffolk Supreme) wherein Peter Newman was appointed a receiver in the action involving ~~tax~~ ^{tax} collectors. I had about one hundred or more ~~cases~~ ^{cases} on my docket so this matter was transferred to another General Litigation attorney before I could get into it;

At about the time of these depositions I stopped into Mr. Mione's office on Court Street near the Eastern District Courthouse. He advised he had represented Salvatore Cirami on his matrimonials, had referred the Ciramis to Mr. Newman, and needed files to proceed. He called in Mr. De Stefano, who shares his office. De Stefano said he was an accountant, that he had appeared for Salvatore Cirami on the many audit conferences before Internal Revenue Service on these taxes, and that C.P.A. Johnson was to blame here. He said C.P.A. Johnson had

"the papers." I told both they should not hesitate to come on strong with anyone they needed in this case and offered to cooperate;

At a subsequent "Pre-Trial Conference", status nature, a Mr. David Kipper appeared for the Ciramis. He is with the Wagman firm. He advised the Court that his firm intended to file a Motion to Vacate the judgment on the assessment. He said they were new to the case and did not have either the records of the Ciramis or Mr. Newman's files. In the Law Assistant's office I made the same offer as I made to Mr. Mione. I said we would assist or join in subpoenas to get the records or in deposing anyone they thought had any records or knowledge as we are constantly being called before the Court on this February, 1973 case for taxes going back to the early sixties. I specifically included the name of attorney Newman in my offer. Mr. Kipper said they would seek to file an amended Answer in the matter. He said that there might possibly be a conflict of interest so that Mr. Mione would represent the former first and third wife of Salvatore Ciriame, Margaret Ciriame, while his firm would file on behalf of Salvatore and his son James;

Thereafter the two substituted counsel of August, 1974, did file a Motion to File Amended Answers. The United States did not oppose and the Amended Answers filed

denied taxes were due and owing and said that the conveyance of the former home of Salvatore Cirami, where the ex-wife Margaret and some of their children resided, was transferred to James Cirami, then a minor, as Margaret was concerned about having a roof over their heads since Salvatore was seeing another woman, and that this furnished the consideration for the conveyance which is not in fraud of Salvatore's creditors. At the depositions of the Ciramis their responses to questions of estates and other transfers, as the Government sought to identify more assets to satisfy its tax liens, were unresponsive. This was also true of the interrogatories propounded to them later;

While in Queens Supreme on another matter I checked the records of the Surrogate's Court and found additional transfers of real property had been made by Salvatore Cirami to his then minor son James Cirami on the exact same day as the conveyance of the property where Margaret lived. On my next appearance in Brooklyn I checked the Kings County Surrogate's files and found more transfers by Salvatore to James on the same day. I filed an Amended Complaint to include these properties as part of the scheme of Salvatore Cirami to get rid of all assets, on one day, that tax collectors could reach. Answers were filed to these additional charges which were no more than a General Denial;

I then propounded interrogatories to see what rents and profits James received on the properties and the Answers recited that the properties were cold water flats operated at losses and again, no records whatsoever were available. I then moved to compel Cirami to account or be precluded from offering evidence of the sums sought from him. Various Court files contained copies of contracts of sale of the properties by Cirami which recited the rents and the fact that they were hot water flats. I then obtained the records of Rent Control to establish that each of the many, many apartments had tenants, heat and hot water and the lawful rents. I made a number of motions to tie down the details that the Ciramis claimed they did not recall or that no records existed;

The Ciramis finally did move to vacate the Partial Summary Judgment on the tax assessment and I submitted a response. Much to my surprise the new battery of lawyers for the Ciramis neither filed any pleadings in opposition to my Motions, including a Motion for Judgment Declaring the five Conveyances of Real Property from Salvatore Cirami to James Cirami to have been in fraud of Creditors and to declare title to have been in Salvatore Cirami at the date of the assessments nor did they make any argument thereon before Judge Bruchhausen at the hearing on the return date for their Motion to Vacate and my multiple Motions to Compel an Accounting, to Declare the Conveyances Fraudulent, etc.;

At this hearing before Judge Bruchhausen the Ciramis were represented by Wallace Musoff and Barry Coore of the Wagman firm and Carl Mione. The three gave oral argument only on their Motion to Vacate and asked the Court for a couple of weeks so that they could gather documentary evidence to support their Memorandum submitted to support their Motion to Vacate. I argued against their Motion and for a determination on my multiple motions. The Court then and there gave the lawyers for the Ciramis a period in which to submit the documentary evidence they wished the Court to consider. Judge Bruchhausen said the Government could thereafter submit pleadings in opposition to any documentary evidence they may present, if the Government desired to do so. He also said he would not rule on the Government's motions, or their Motion to Vacate, until the evidence on the Motion to Vacate was filed and the Government responded, if it wanted to. I believe all of the papers were filed and served on all parties in early July and that the Ciramis did file an additional Memorandum on the Government's Memorandum. I heard nothing until October when I received a copy of the Opinion denying the Motion to Vacate and of the Opinion granting the Government all of its Motions. The Ciramis did not file any Motion for a rehearing;

Having learned that there were several more properties fraudulently conveyed on the same day to the same person by the taxpayer than either I, the Internal Revenue Service or obviously, from the Amended Answer filed to the original Complaint, even the Ciramis' attorneys knew of, I then had a search of title made on James Cirami's house and discovered that the day after he was made a party to this action in February, 1973, he transferred his house to his wife Nancy. I made her a party as this also flew in the face of the New York State Debtor and Creditor Law. I also found out that Salvatore Cirami was insured by someone who did not have an insurable interest in his life and who later became his fourth wife, and that the policy had considerable value. I made the wife and the insurance company parties. At this point it was obvious that more probing was needed to satisfy the Government's tax judgment and I again Noticed the Ciramis for Depositions to uncover assets. It was then discovered that the Ciramis not only operated at Kennedy Airport, Queens, New York, in Manhattan out of an office where New York City's heaviest truck traffic occurs, and in Puerto Rico, but also operated in Miami, Florida and New Jersey where James Cirami owned a car and truck rental corporation from which the Ciramis "rented" their trucks and personal cars charged off to the New York operations.

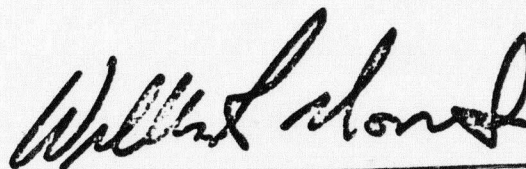
To every question as to where the checkbooks, the missing item in this case for taxes in the early sixties, and banking paraphernalia were located, the Fifth Amendment was invoked. Though we were seeking assets to satisfy the tax judgment, James Cirami did disclose something very relevant to the very audit itself. Much of the expenses during the tax years disallowed concerned payments to a Nassau Truck Rental Company. I had obtained a copy of its Certificate of Incorporation by a person called Joseph. In running through a list of company names to see if they were still in existence I mentioned Nassau Truck rental and James advised they had bought this company from a lawyer named Joseph. Thus the circle was as complete from Salvatore Cirami and Air Freight to Nassau Truck Rental as it was admittedly from James' current operation at Kennedy to his rental company in New Jersey;

Shortly after these Rule 69 proceedings were held all civil files were transferred to other attorneys as I was reassigned to the Criminal Tax Section of the Division;

To the best of my knowledge a recapitulation of pleadings and responses in the matter while I was the assigned attorney would be as follows:

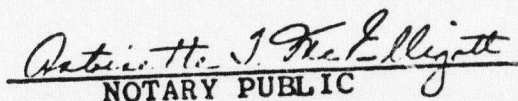
<u>PLEADING</u>	<u>OPPOSING COUNSEL</u>	<u>OPPOSING PLEADINGS FILED</u>	<u>OPPOSING ARGUMENT MADE</u>
Complaint	Newman	Yes	No
Motion to Dismiss Defendants' Counterclaim	Newman	Yes	Yes
Motion for Partial Final Summary Judgment on the Tax Assessment	Newman	No	Yes
Complaint	Carl Mione and Wagman, Cannon & Musoff	Yes	No
Amended Complaint	Carl Mione and Wagman, Cannon & Musoff	Yes	No
Second Amended Complaint	Carl Mione and Wagman, Cannon & Musoff	Yes	No
Motion to Compel Accounting or to Preclude	Wagman, Cannon & Musoff	No	Yes
Motion to Declare Conveyances of Salvatore Ciriame to James Ciriame Fraudulent and Void	Carl Mione and Wagman, Cannon & Musoff	No	Yes
Motion to Vacate Judgment on Assessment	United States	Yes	Yes
Motions for Leave to File Amended Complaint and Second Amended Complaint	Carl Mione and Wagman, Cannon & Musoff	No	No
Motion to File Amended Answer to Complaint	United States	No	No

The files in this matter were transferred from me on or before November 17, 1975. I make this affidavit at the request of the newly assigned Government trial attorney, from the best of my recollection. I am no expert in human behavior but I have spent almost four decades in New York City and a number of years in the hectic atmosphere of its congested civil and criminal courts where attorneys are often marked "Ready" in several parts of the same court to proceed simultaneously, by understaffed benches oftentimes with no place to sit and conduct trials. At no time in my contacts with Peter Newman did he appear irrational or confused. He did not appear to be in any hurry as attorneys often are when they have other appearances to make. He made no mention of any other trial engagements. Only once did he request a date other than what the court intended to assign or what I had intended as a return date, and that was to accommodate his vacation. The hearings or "Pre-Trial Conferences" were always informal, relaxed and speedy.



WILLIAM R. MORROW, JR.

Sworn to and subscribed before me this 13th day of December, 1976.


NOTARY PUBLIC

My commission expires: My Commission Expires January 1, 1981

CERTIFICATE OF SERVICE

IT IS HEREBY CERTIFIED that Service of the foregoing Supplemental Memorandum in Support of Opposition to Motion to Vacate and Affidavit of William R. Morrow, Jr. have this 14 day of December, 1976, been made by depositing a copy thereof, postage prepaid, in the United States mail addressed to:

Wallace Musoff, Esquire
Wagman, Cannon & Musoff
136 E. 57th Street
New York, New York 10022

Marc Elliott Albert

MARC E. ALBERT

ORDER DENYING SECOND MOTION TO VACATE
(pp. A261-A262)
UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

A-261

FILED

----- x

UNITED STATES OF AMERICA, :

Plaintiff :

CIVIL ACTION NO. 73-C-274

v. :

ORDER DENYING SECOND MOTION
TO VACATE

SALVATORE CIRAMI, MARGARET
CIRAMI, JAMES CIRAMI &
MASPETH FEDERAL SAVINGS &
LOAN ASSOCIATION, :

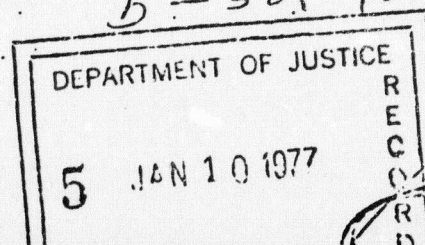
Defendants :

FILED
U.S. DISTRICT COURT E.D. N.Y.

----- x

DEC 27 1976

This matter came before the Court upon the defendants' Salvatore and Margaret Cirami filing their second motion pursuant to Rule 60(b)(6) of the Federal Rules of Civil Procedure to vacate a final judgment entered on June 12, 1974 against them in favor of the plaintiff, United States of America. Defendants asserted evidence, unavailable at the time defendants' filed their first motion to vacate and at the time the United States Court of Appeals for the Second Circuit considered this matter, is presently available to warrant the relief requested. In support of their second motion, defendants submitted memoranda and affidavits. Plaintiff submitted memoranda and an affidavit in opposition to defendants' motion. On December 17, 1976, the Court heard oral argument of counsel.

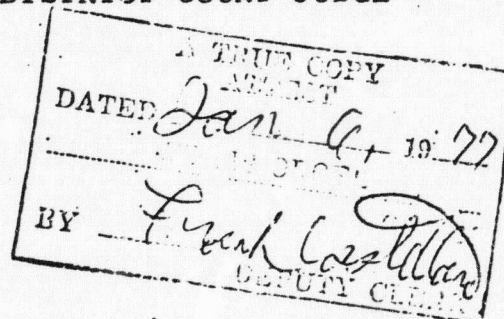


The Court finds it is precluded from considering this second motion to vacate in light of the fact that the United States Court of Appeals for the Second Circuit has affirmed the United States District Court's decision denying defendants' first motion to vacate. (United States v. Cirami, 535 F. 2d 736 (C.A. 2, 1976).) The Court is precluded from considering defendants' second motion to vacate on the basis of new evidence unless authorized to do so by the United States Court of Appeals for the Second Circuit. United States v. Fernandez, 506 F. 2d 1200 (C.A. 2, 1974). Insofar as the United States Court of Appeals for the Second Circuit has not authorized this Court to consider this second motion, defendants' motion to vacate is accordingly denied.

It is so ordered this 26 day of December, 1976.

Thomas C. Alt

DISTRICT COURT JUDGE



A-263

NOTICE OF APPEAL

(pp. A263-A264)

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

- - - - - x

UNITED STATES OF AMERICA,

Plaintiff,

v.

SALVATORE CIRAMI, MARGARET
CIRAMI, JAMES CIRAMI &
MASPETH FEDERAL SAVINGS &
LOAN ASSOCIATION,

Defendants. :

- - - - - x

CIVIL ACTION No. ~~73C 274~~

NOTICE OF APPEAL

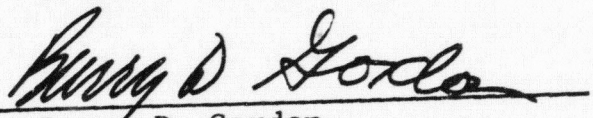
NOTICE is hereby given that SALVATORE CIRAMI and MARGARET CIRAMI, defendants above named, hereby appeal to the United States Court of Appeals for the Second Circuit from the order of the Honorable Thomas C. Platt, Jr., United States District Judge, Eastern District of New York, denying the renewed motions of SALVATORE CIRAMI and MARGARET CIRAMI, pursuant to Rule 60(b)(6) of the Federal Rules of Civil Procedure, to vacate summary judgment entered against them, which order was entered

A-264

on the day of December, 1976.

Dated: January 20, 1977.
New York, New York

WAGMAN, CANNON, MUSOFF & GALLOP, P.C.
Attorneys for Defendants
136 East 57th Street
New York, New York 10022
Tel: (212) 753-2900

By 
Barry D. Gordon

Of Counsel:
Wallace Musoff
Barry D. Gordon

**UNITED STATES COURT OF APPEALS
SECOND CIRCUIT**

UNITED STATES OF AMERICA,
Plaintiff-Appellee,

- against -

SALVATORE CIRAMI, et al.,
Defendants
SALVATORE CIRAMI & MARGARET CIRAMI,
Defendants-Appellants.

Index No.

Affidavit of Personal Service

STATE OF NEW YORK, COUNTY OF

SS.:

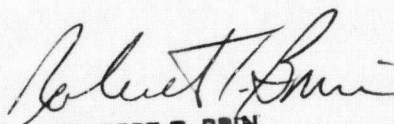
I, Victor Ortega, being duly sworn, depose and say that deponent is not a party to the action, is over 18 years of age and resides at 1715 Lacombe Avenue; Bronx, New York

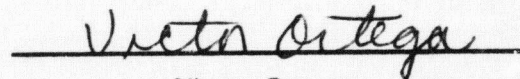
That on the 2 10th day of March, 19 77 at 225 Cadman Plaza
deponent served the annexed Appellate Brooklyn, N. Y. upon

U. S. Attorney-Eastern Dist.
David Trager

the in this action by delivering a true copy thereof to said individual personally. Deponent knew the person so served to be the person mentioned and described in said papers as the herein,

Sworn to before me, this 10th
day of March, 19 77


ROBERT T. BRIN
NOTARY PUBLIC, State of New York
No. 31-0418950
Qualified in New York City
Commission Expires March 31, 1978


Victor Ortega